

Digitized by the Internet Archive
in 2024 with funding from
University of Toronto

<https://archive.org/details/31761118922434>



Ontario

Ministry of
Colleges and
Universities

Hon. Bette Stephenson, M.D., Minister
Harry K. Fisher, Deputy Minister

148

Government
Publications

A Review
of the
Ontario Student
Assistance Program -
Report for 1979/80

OSAP

This report provides an analysis and review of the Ontario Student Assistance Program for the academic year 1979-80. It is the second annual report on the program since the introduction of the Ontario Study Grant Plan.

The data for the report were extracted from the Ministry's computer files, where information provided on the students' application forms for assistance is stored. Additional information relating to the report may be obtained from the Ministry, if it is readily available.

This report was compiled by the Student Awards Branch of the Ministry of Colleges and Universities. Requests for further information should be directed to S. (Raj) Rajagopal (965-7191).

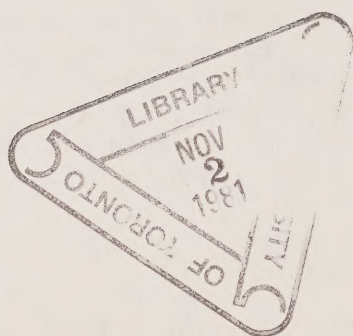


TABLE OF CONTENTS

Page

Introduction	1
Summary	2
Who received assistance?	4
What was the amount of assistance received?	6
How was the student's educational cost met?	8
What is the family profile of the students who received assistance?	9
What is the study level/course profile of the students who received assistance?	10
What is the extent of federal assistance provided to students under the Canada Student Loan Program?	12
How does the Ontario Student Loan Plan supplement the provincial grants and federal loans available to students?	13
What role does the Ontario Special Bursary Plan play in meeting the financial needs of students facing special circumstance?	14
How does the Ministry verify information provided by students on their applications for assistance?	15
How did the loan remission plan ease the transition of some students from the old to the new plan?	16
How has the Ontario Study Grant Plan helped students in vocation-oriented courses offered at private vocational schools?	17
How have the student assistance program objectives been met?	18
Conclusion	19

TABLE OF CONTENTS (Cont'd).

Page

Appendices:

A. Tables

1 OSAP : Total Provincial Expenditure: Grants, Loan Interest & Default, Bursary	20
2 OSAP : Full Time Enrolment and OSAP Recipients	21
3 OSAP : Grant Awards by Student Group	22
4 OSAP : Grant Awards : \$ Ranges	23
5 OSAP : Average Grant Awards by Student Group	24
6 OSAP : Gross Income Ranges of Parents of Dependent Students Receiv- ing Grants	25
7 OSAP : Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	26
8 OSAP : Contribution from Students' Summer Earnings	27

B. Charts

1 OSAP : Total Expenditure	28
2 OSAP : Breakdown of Total Assistance	29
3 OSAP : Expenditures by Federal and Provincial Governments	30
4 OSAP : Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	31
5 OSAP : Costs of Students Applying for Grants	32
6 OSAP : Resources of Students in Grant Assessment	33

INTRODUCTION

The main objectives of the Ontario Student Assistance Program are:

- to encourage and assist academically qualified and financially needy Ontario residents to participate in post-secondary education,
- to ensure equal opportunity for, and increased participation of, students from low income families and disadvantaged groups, and
- to provide various forms of financial assistance to meet the diverse needs of students in different programs and circumstances.

To meet these objectives, assistance is provided in the form of non-repayable grants (for the first four years of post-secondary study), guaranteed, interest-subsidized loans and non-repayable bursaries. The 'needs test' which is basic to the four plans under the Ontario Student Assistance Program determines what the student requires by way of supplemental resources to help him/her undertake post-secondary study. This document reviews the performance of the Ontario Student Assistance Program during the academic year 1979-80.

The report for 1979-80 analyzes the assistance provided under the Ontario Student Assistance Program - to whom aid was given, in what form, etc. It also reviews the program operation from the standpoint of individual components and program verification. A critical look is taken at the extent to which the program has met its objectives.

Wherever possible, comparative data are provided for earlier years. It should be noted, however, that any time series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the program operation was significantly different. A student was required to negotiate the first \$1,000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province. Comparisons from year to year will become more useful as the new Ontario Study Grant Plan evolves.

In 1979-80 a student was classified as Group B (independent) for grant assessments if the student was married or was a single parent with dependent child/children or had worked full time for three periods of twelve consecutive months. For loan assessments, if a student was married or was a single parent with dependent child/children or had worked full time for two periods of twelve consecutive months or had completed four or more years of full time post-secondary study or had a combination of twelve months' full time work and three years' full time post-secondary study, the student was classified as Group B. A student who did not meet the above criteria was classified as Group A (dependent).

Detailed tables on the various distributions are provided as appendices to this report.

SUMMARY

During the academic year 1979-80¹, a total of 62,373 students received aid in loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$170.95 million², made up of \$79.77 million in the form of grants and \$91.18 million in the form of loans. The highlights of the program performance for 1979-80 are:

32.18% of full-time enrolment in Ontario colleges and universities received assistance under the Ontario Student Assistance Program. 25.52% received a mix of grants and loans and 6.66% received loans only. In 1979-80 the total number of awards as a percentage of full-time enrolment increased by 1.75% in Ontario over that of the previous year.

The number of grant awards increased in 1979-80 by 15.51%, and loan awards by 9.09% over 1978-79.

There was an increase of 10.46% in the total amount of grant assistance provided in 1979-80 and a very small decrease (0.09%) in total loan assistance.

Average grants for the three main categories of students have changed slightly in 1979-80: 2.47% increase for dependent single students, 9.72% decrease for independent single students and 9.62% increase for married students.

The increase in the number of grant awards in 1979-80 was mainly in the colleges of applied arts and technology (28.0%) and private vocational schools (55.11%), although university students eligible for grants also registered an increase of 6.6%.

The number of dependent single students receiving grants increased in 1979-80 by 16.08%. Married students receiving grants also recorded an increase of 25.33%. The increase in independent single students receiving grants was 6.81%.

The increase in the number of grant awards occurred mainly in the full-time student category, i.e., students taking at least 60% of a full course load.

Canadian citizens receiving grants represented the main increase in grant awards (16.61%) in 1979-80. Landed immigrants (permanent residents) recorded a small increase (2.44%).

¹Academic year covers a period from July of one year to August of the following year (for most students, from September to the following August), and overlaps two government fiscal years which run from April to the following March.

²Assistance is made up of loans and grants, and does not include expenditure made on interest payments and defaults on loans. It does not include remission payments made to banks to reduce students' loans.

SUMMARY

During the academic year 1979-80¹, a total of 62,373 students received aid in loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$170.95 million², made up of \$79.77 million in the form of grants and \$91.18 million in the form of loans. The highlights of the program performance for 1979-80 are:

32.18% of full-time enrolment in Ontario colleges and universities received assistance under the Ontario Student Assistance Program. 25.52% received a mix of grants and loans and 6.66% received loans only. In 1979-80 the total number of awards as a percentage of full-time enrolment increased by 1.75% in Ontario over that of the previous year.

The number of grant awards increased in 1979-80 by 15.51%, and loan awards by 9.09% over 1978-79.

There was an increase of 10.46% in the total amount of grant assistance provided in 1979-80 and a very small decrease (0.09%) in total loan assistance.

Average grants for the three main categories of students have changed slightly in 1979-80: 1.92% decrease for dependent single students, 14.37% decrease for independent single students and 2.84% increase for married students.

The increase in the number of grant awards in 1979-80 was mainly in the colleges of applied arts and technology (28.0%) and private vocational schools (55.11%), although university students eligible for grants also registered an increase of 6.6%.

The number of dependent single students receiving grants increased in 1979-80 by 16.08%. Married students receiving grants also recorded an increase of 25.33%. The increase in independent single students receiving grants was 6.81%.

The increase in the number of grant awards occurred mainly in the full-time student category, i.e., students taking at least 60% of a full course load.

Canadian citizens receiving grants represented the main increase in grant awards (16.61%) in 1979-80. Landed immigrants (permanent residents) recorded a small increase (2.44%).

¹Academic year covers a period from July of one year to August of the following year (for most students, from September to the following August), and overlaps two government fiscal years which run from April to the following March.

²Assistance is made up of loans and grants, and does not include expenditure made on interest payments and defaults on loans. It does not include remission payments made to banks to reduce students' loans.

There was an increase in the number of female students receiving grants (18.9%) in 1979-80. The corresponding increase in male students was 11.9%. As a result, 53.02% of the total grant awards in 1979-80 were made to female students.

33,748 students enrolled in universities received assistance in grants or a mix of grants and loans. The breakdown of this enrolment follows: in undergraduate programs - 30,998, in graduate programs - 216 and in diploma, certificate and other non-degree programs - 2,534.

24,057 students enrolled in colleges received grants and/or loans. They were enrolled in the following programs: diploma programs - 21,281, certificate programs - 2,195, other - 581.

The size of grant awards showed no appreciable change in 1979-80. The majority of the awards (56.27%) fell in the \$1,000 - \$2,500 range. There has been some increase in the number of grant awards under \$1,000 because of increases in fees, personal and living allowances, etc. in 1979-80. Some students who formerly received no assistance because their resources exceeded their costs by only a small margin, were affected by these cost increases and received an award in 1979/80.

The parental income profile of dependent single students receiving grants showed little variation from 1978-79. Compared to 1978-79, parental income distributions only showed a slight upward shift to the next higher income range. 46.35% of the dependent single students receiving grants showed a parental gross income of under \$15,000; 59.82% with parental gross incomes below \$18,000 and 68.84% with parental gross incomes less than \$20,000. Tables on these distributions are provided in Appendix A.

In 1979-80 the family size of dependent single students maintained more or less the same pattern as in the previous year. Families with three or more children showed a very small decline (from 46.68% to 45.57%).

A total of 10,492 students received loan remission in 1979-80, an increase of 7.1% over the previous year. The dollar amount of remission payments rose by 22.5% (from \$8.42 million to \$10.32 million as of March 31, 1980).

Students who were eligible to apply for only loans, came mainly from three groups: independent single students (71.21%), dependent single students attending schools away from their parental homes (13.01%) and independent married students (10.94%). Of the independent single students, 21.96% had loans in the range of \$1,501 - \$2,000, and 26.27% in the range of \$2,501 - \$3,000.

WHO RECEIVED ASSISTANCE?

For the academic year 1979-80, a total of 62,373 grant awards were issued for a dollar value of \$79.77³ million. In addition, 81,936 loans were issued for an amount of \$91.2 million, made up of \$73.2 million in federal loans and \$18.0 million in provincial loans. Most of the students who received grants were also eligible for loans.

	<u>Number of Awards</u>		<u>Dollar Value</u>	
Grants	62,373	(43.22%)	\$79.77m	(46.66%)
Loans	<u>81,936</u>	<u>(56.78%)</u>	<u>91.18m</u>	<u>(53.34%)</u>
	144,309	(100.00)	170.95m	(100.00)

Of the 81,936 loan awards, 19,563 were made to students who were not eligible for grant assistance for various reasons the most common of which was that they had completed the first four years of their post-secondary study before applying for assistance in 1979-80.

Of the total grant awards issued in 1979-80, 33,748 were made to students attending universities in Ontario and 24,057 to students enrolled in Ontario colleges of applied arts and technology. Out of the total of 81,936 loans, 46,711 were issued to university students in Ontario and 26,024 to college students. Here is a breakdown of assistance:

	<u>Grants</u>		<u>Loans</u>	
	<u>#</u>	<u>\$</u>	<u>#</u>	<u>\$</u>
Universities in Ontario	33,748 (54.11%)	\$44.05m (55.22%)	46,711 (57.01%)	\$56.44m (61.89%)
Colleges in Ontario	24,057 (38.57%)	\$30.57m (38.32%)	26,024 (31.76%)	\$19.88m (21.80%)
Other Institutions	4,568 (7.32%)	\$ 5.15m (6.46%)	9,201 (11.23%)	\$14.86m (16.31%)
	<u>62,373</u>	<u>\$79.77m</u>	<u>81,936</u>	<u>\$91.18m</u>

³This amount does not include remission payments made to banks in reduction of the students' loans. These remission payments were in essence deferred grants which are not repayable.

46,703 students who were dependent on parental support received grant awards, while the independent single and married students received 9,124 and 6,546 grant awards respectively. The mix of students who received loan awards is slightly different. Out of a total of 81,936 loan awards, 49,758 were made to dependent students, and the independent single and married students received 23,048 and 9,130 awards respectively. The following chart explains their relative share of participation:

	<u>Grants</u>	<u>Loans</u>
Dependent single students	46,703 (74.88%)	49,758 (60.73%)
Independent single students	9,124 (14.63%)	23,048 (28.13%)
Married students	6,546 (10.49%)	9,130 (11.14%)
	<u>62,373</u>	<u>81,936</u>

Included in the married students shown above are 2,901 single parents who received grant and loan assistance and 442 single parents who were awarded loans only.

93.06% of grant awards (58,045) were made to Canadian citizens and the remainder (4,328) to landed immigrants (permanent residents). With respect to loan awards, 75,940 (92.68%) were issued to Canadian citizens and 5,996 to landed immigrants.

During the academic year 1979-80, there has been an increase in the number of female students receiving assistance as shown below:

	<u>Grants</u>		<u>Loans</u>	
	<u>1978-79</u>	<u>1979-80</u>	<u>1978-79</u>	<u>1979-80</u>
Male Students	26,187 (48.49%)	29,304 (46.98%)	38,978 (51.90%)	40,758 (49.74%)
Female Students	27,813 (51.51%)	33,069 (53.02%)	36,128 (48.10%)	41,178 (50.26%)
	<u>54,000</u>	<u>62,373</u>	<u>75,106</u>	<u>81,936</u>

WHAT WAS THE AMOUNT OF ASSISTANCE RECEIVED?

Of the total amount of grants, 72.29% was received by the single students who were dependent on parental support; independent single students and married students received 17.36% and 10.35% of the total grants. The following chart shows average grant assistance for the three groups of students:

	<u>Average grant</u>	
	<u>1978-79</u>	<u>1979-80</u>
Dependent single students	\$1,253	\$1,229
Independent single students	\$1,796	\$1,538
Married students	\$1,234	\$1,269

In the above figures, the average grant assistance to dependent single students is a composite amount, for those who stayed with the parents while at school and also those who did not. 69.96% of the dependent single students lived away from home during 1979-80. The corresponding percentage for 1978-79 was 71.56%.

The award profile of students according to the schools they attended is shown below:

<u>Institution attended</u>	<u>Average grant</u>	
	<u>1978-79</u>	<u>1979-80</u>
Universities in Ontario	\$1,366	\$1,305
Colleges in Ontario	\$1,324	\$1,271
Other	\$1,151	\$1,128

The loans issued in 1979-80 portray a picture slightly different from that for grants:

	<u>Average loan</u>	
	<u>1978-79</u>	<u>1979-80</u>
Dependent single students	\$ 698	\$ 633
Independent single students	\$1,770	\$1,836
Married students	\$2,524	\$2,093

The following table shows average loan by type of institution attended:

<u>Institution attended</u>	<u>Average loan</u>	
	<u>1978-79</u>	<u>1979-80</u>
Universities in Ontario	\$1,282	\$1,208
Colleges in Ontario	\$ 948	\$ 764
Other	\$1,535	\$1,616

The following table shows distribution of grant awards:

<u>Value of grant</u>	<u>Percentage of recipients</u>	
	<u>1978-79</u>	<u>1979-80</u>
Less than \$1,001	29.39%	31.21%
\$1,001 - \$1,500	17.24%	17.55%
\$1,501 - \$2,000	26.94%	25.85%
\$2,001 - \$2,500	14.24%	12.87%
\$2,501 - \$3,000	9.49%	9.53%
Over \$3,000	<u>2.70%</u>	<u>2.99%</u>
	<u>100.0</u>	<u>100.0</u>

The size of grant awards assessed during 1979-80 varied according to the individual circumstances of the applicants. While costs generally increased, variations in resources affected the pattern of awards from 1978-79 to 1979-80. The grant awards ranged from a minimum of \$20 to a maximum of \$4,000. Likewise, the loans awarded had a wide spread, from \$50 to \$4,500.

56.27% of the grant awards were in the range of \$1,001 to \$2,500. Awards in excess of \$2,500 accounted for 12.52% of the total.

HOW WAS THE STUDENT'S EDUCATIONAL COST MET?

The total costs of students attending post-secondary schools are made up of tuition fees, compulsory/ancillary fees, books, equipment, transportation, food and accommodation expenses. The Ontario Student Assistance Program supplements the student's resources to the extent needed to meet these costs. During the year 1979-80, the students' costs in grant assessments were made up of 16.86% in tuition fees, 54.11% in food and accommodation, 8.87% in books and equipment and the balance (20.16%) in other miscellaneous costs.

The average costs of the different student groups are shown below:

	<u>Average costs</u>	
	<u>1978-79</u>	<u>1979-80</u>
Dependent single students	\$2,739	\$2,984
Independent single students	\$2,774	\$2,955
Married students	\$2,127	\$2,093

The students' average costs in 1979-80 by the type of educational institution attended are:

	<u>1978-79</u>	<u>1979-80</u>
Universities	\$2,903	\$3,010
Colleges	\$2,493	\$2,632
Other	\$2,186	\$2,391

Approximately 60% of the total educational costs of all students who were eligible for grants in 1979-80 was met out of the resources of the students and/or their families. The other 40% was covered by grants under the Ontario Study Grant Plan. The average percentage of costs met by non-repayable grants for the various categories of students is as follows: dependent single students - 37.08%, independent single students - 52.68% and married students - 51.43%.

For the dependent single students, resources assessed in grants calculation came mainly from two sources: students' own contribution (45.87%) and parental contribution (54.13%). Parental contribution accounted for about 58.05 of the total resources for students living away from home, but only 39.80% for students living with parents while at school.

WHAT IS THE FAMILY PROFILE OF THE STUDENTS WHO RECEIVED ASSISTANCE?

Approximately 54% of the dependent single students who received grant assistance in 1979-80 were from families with 1 or 2 children. The distribution of families by number of children is shown below:

<u>Number of children in the family</u>	<u>Percentage of students</u>
1 child	25.97%
2 children	28.45%
3 children	23.42%
4 children	13.38%
5 children and above	8.78%
	<u>100.0</u>

The parental gross income of students who received grants in 1979-80 ranged from under \$8,000 to just over \$40,000. A small percentage of the dependent students was from families with parental gross income of \$30,000 and over. These are families with a large number of children or with more than one child at post-secondary level of study. This would increase the deductions allowable against gross incomes and thereby make the students eligible for grant assistance.

<u>Parental gross income ranges</u>	<u>Percentage of students assessed for grants</u>	
	<u>1978-79</u>	<u>1979-80</u>
Less than \$10,001	27.24%	25.44%
\$10,001 - \$15,000	22.11%	20.91%
\$15,001 - \$20,000	23.88%	22.49%
\$20,001 - \$25,000	16.26%	17.69%
\$25,001 - \$30,000	7.33%	8.62%
Over \$30,000	<u>3.18%</u>	<u>4.85%</u>
	<u>100.0</u>	<u>100.0</u>

Statistics Canada's preliminary estimate of the median income in Ontario for 1979 is \$23,500 for families - up from \$21,639 in 1978. Approximately 81% of dependent single students who received grant assistance in 1979-80 came from families with income below the 1979 median level.

Married students who received grants in 1979-80 had a family gross income which was generally below \$10,000. Close to 40% of married students had incomes below \$5,000. Those with family incomes above \$10,000 accounted for 20.71% of the total number of married students.

WHAT IS THE STUDY LEVEL/COURSE PROFILE OF THE STUDENTS WHO RECEIVED ASSISTANCE?

The students who were assisted with study grants in 1979-80 were, for the most part, enrolled in post-secondary courses of 26 to 38 weeks' duration. In addition, there was a significant group of students taking courses of 10 to 19 weeks in length, and a very small number in courses more than 38 weeks long. The grant recipients broken down by institution type and course length are shown below:

<u>Course length</u>	<u>Percentage of grant recipients</u>		
	<u>Universities</u>	<u>Colleges</u>	<u>Other</u>
Less than 19 weeks	7.75%	10.70%	14.34%
20 - 25 weeks	0.77%	1.98%	0.85%
26 - 32 weeks	30.37%	9.43%	50.72%
33 - 38 weeks	57.31%	64.85%	21.28%
Over 38 weeks	<u>3.80%</u>	<u>13.04%</u>	<u>12.81%</u>
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Universities in Ontario:

Because of the restriction on grants for the first four years of post-secondary study, most of the grant recipients in 1979-80 were enrolled in undergraduate programs. About 6.93% of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (65.1%) went to students enrolled in general arts and sciences programs. Closely following that was the group in engineering, business and health sciences in that order. The distribution of students is shown below:

<u>Faculty</u>	<u>Percentage of students</u>
Arts & Sciences	65.10%
Engineering & Technology	11.01%
Administration/Business	9.19%
Health Sciences	5.67%
Education & Social Work	5.10%
Other	<u>3.93%</u>
	<u>100.0</u>

Of the students who received loan only, 16.42% were enrolled in graduate programs and the remaining applicants (83.58%) were registered either in certificate/diploma programs or in bachelor's programs. Reasons for the large number of loan recipients in undergraduate programs are: students taking a second bachelor's degree or diploma, students repeating courses and students enrolled in longer programs (in excess of four years of study) which require a preparatory study of two to three years before the main program. The following table shows distribution of students receiving loan only:

<u>Faculty</u>	<u>Percentage of students receiving loan only</u>		
	<u>Undergraduate</u>	<u>Graduate</u>	<u>Others</u>
Arts & Sciences	46.06%	37.55%	15.54%
Law	13.89%	0.19%	3.56%
Education & Social Work	12.42%	18.00%	7.44%
Engineering & Technology	11.80%	3.01%	3.64%
Business	8.34%	26.45%	3.51%
Other	<u>7.49%</u>	<u>14.80%</u>	<u>66.31%</u>
	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Colleges in Ontario:

Grant recipients in Ontario colleges of applied arts and technology were enrolled in the following programs:

<u>Faculty</u>	<u>Percentage of students</u>
Administration/Business	26.78%
Arts & Sciences	23.56%
Engineering & Technology	20.45%
Health Sciences	15.87%
Education & Social Work	7.57%
Trades & Vocations	3.69%
Other	<u>2.08%</u>
	<u>100.0</u>

WHAT IS THE EXTENT OF FEDERAL ASSISTANCE PROVIDED TO STUDENTS
UNDER THE CANADA STUDENT LOAN PROGRAM?

The Canada Student Loan Program is one of the four aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students who are not eligible for grants either because they have the equivalent of four years' post-secondary education or because their school/program does not qualify for grant, may qualify for federal loans.

The amount of assistance provided under the Canada Student Loan Program for the past three years is shown below:

<u>Year</u>	<u>Number of students assisted</u>	<u>Amount of assistance (millions)</u>
1977-78	80,959	\$86.27
1978-79	75,106	\$74.42
1979-80	81,936	\$73.20

The levels of costs and allowances under the Canada Student Loan Program are generally more generous than those allowed in the Ontario Study Grant Plan. This provides some students with an opportunity to take out loans as required to meet additional expenses. These are expenses, for example, on household repairs, legal fees and funeral expenses which some students may incur but are not allowed in grant assessments. Although loans are issued to students based on the data provided in their applications for assistance, they are not required to take out loans if such funds are not needed.

The maximum Canada Student Loan to which a student is entitled in a two-term academic year has remained at \$1,800 since 1974. As a result, many students who are eligible for only loans would have been left with part of their need not met in federal loans. To bridge this gap, the Ontario Student Loan Plan was expanded in 1978. The Provincial loans now top off the federal loans and the students whose need is in excess of the CSL maximum can obtain the balance of their need through provincially guaranteed loans.

HOW DOES THE ONTARIO STUDENT LOAN PLAN SUPPLEMENT THE
PROVINCIAL GRANTS AND FEDERAL LOANS AVAILABLE TO STUDENTS?

Under the Ontario Student Loan Plan, provincially guaranteed loans are made available to students enrolled in post-secondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the old Ontario Student Assistance Program for various reasons: course length less than 26 weeks; study programs not approved for Canada Student Loans; students' course load less than 60%. The plan grew steadily until 1978 when the total amount of loans negotiated from the inception of the plan was \$3.85 million.

When the Ontario Study Grant Plan was introduced in 1978, a decision was made to expand the scope of the Ontario Student Loan Plan. Commencing 1978, provincial loans supplement the federal loans in meeting the students' needs. This is significant in the case of students who are eligible for only loans, but whose need is met up to a maximum of \$1,800 in Canada Student Loans. As a consequence, the volume of Ontario Student Loans issued in an academic year has increased to about \$18 million in 1979/80. The following chart explains the growth in the provincially guaranteed loans:

<u>Year</u>	<u>Ontario Student Loans issued</u>
1977-78	\$ 1.6 million
1978-79	16.1 "
1979-80	18.0 "

With the increase in the volume of these loans, two factors have heightened the impact on provincial expenditure - one, the high rate of interest payable to lending institutions; and two, the extent of loan defaults by students. The following figures are self-explanatory:

<u>Year</u>	<u>Interest on loans</u>	<u>Defaults under guarantee</u>	
		<u>Number</u>	<u>Amount</u>
1976-77	\$107,521.67	10	\$ 8,571.33
1977-78	155,871.77	151	128,657.23
1978-79	170,625.37	377	253,551.63
1979-80	846,654.89	784	526,785.11

Claims paid because of defaults are referred to a collection agency for recovery.

WHAT ROLE DOES THE ONTARIO SPECIAL BURSARY PLAN PLAY IN
MEETING THE FINANCIAL NEEDS OF STUDENTS FACING SPECIAL
CIRCUMSTANCES?

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program was formally introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past five years, this plan has been of benefit to above categories of students and also well received by Financial Aid Administrators in the schools who counsel them on financial assistance.

The assistance provided under the Ontario Special Bursary Plan during the years 1976-77 to 1979-80 is shown below:

	<u>1976-77</u>	<u>1977-78</u>	<u>1978-79</u>	<u>1979-80</u>
Number of students assisted	1,070	1,256	1,182	1,211
Total assistance provided	\$300,137	\$427,880	\$427,737	\$409,394
Average bursary award	\$ 281	\$ 341	\$ 362	\$ 338
Maximum bursary	\$ 900	\$ 1,000	\$ 1,200	\$ 1,200

The Ontario Special Bursary Plan was originally intended to cover only part-time students i.e., students carrying a course load of less than 60%. However, because of its suitability for students in skills upgrading programs, students with course load of 60% and over are also permitted to apply for this program.

HOW DOES THE MINISTRY VERIFY INFORMATION PROVIDED BY
STUDENTS ON THEIR APPLICATIONS FOR ASSISTANCE?

The main purpose of the verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, either selected at the Ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further detailed review by the Verification Staff at the Ministry. Files maintained at the award offices in the colleges and universities are audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the Ministry to get income data shown on the applications confirmed at the federal Department of National Revenue. In 1979-80, 9,248 files were found to exceed the variance levels set for income reported. A review of these files is under way.

In administering the tax waiver system for income verification, confidentiality of information provided was fully preserved.

In addition to this income verification, 3,960 selected files were examined in 1979-80 for accuracy of assessments as part of the general audit of student data. The results of this examination showed a net grant overpayment of \$717,086. A total of 1,425 cases were involved.

Misrepresentation was suspected in 54 cases. Following investigation, 45 cases were not considered suitable for further action. Five cases were referred to the federal government for prosecution under the Canada Student Loans Act. No notification of these cases has yet been received. Four cases were referred to the Ontario Provincial Police for investigation and prosecution under the Criminal Code. One of these cases resulted in a conviction (six months imprisonment), another was dismissed by the court and the remaining two were not considered suitable for further action because of insufficient evidence of criminal intent.

HOW DID THE LOAN REMISSION PLAN EASE THE TRANSITION OF SOME STUDENTS FROM THE OLD TO THE NEW PLAN?

When the Ontario Study Grant Plan was introduced in 1978-79, grant eligibility became, for the first time, restricted to eight periods of study, corresponding to the first four years of post-secondary study. Before 1978-79, all students were required to assume a \$1,000 student loan before receiving any grant assistance. Students in the second and third year of their post-secondary study and beyond found themselves at a disadvantage because of the change in eligibility criteria introduced in 1978. They had to assume a greater debt than did other students preceding them, to complete their studies. A temporary loan remission plan was introduced for two years to repay a portion of the loans of the students who were in this transitional situation.

During the academic year 1979-80, a total of 10,492 students had their loans in excess of \$500 per study term remitted by the government. The remission of 50 cents on every dollar of the excess debt worked out to approximately \$850 per student. The total amount of remission monies paid out since the inception of the loan remission scheme was approximately \$21.4 million. The remission scheme was discontinued effective July 31, 1980.

The following analysis of students who received remission in 1979-80 is self-explanatory:

Number of 1979-80 Loan Remission Recipients

	<u>Universities</u>	<u>Colleges</u>	<u>Other</u>
Dependent single students	218	41	6
Independent single students	7,144	938	760
Married students	<u>1,187</u>	<u>98</u>	<u>100</u>
	<u>8,549</u>	<u>1,077</u>	<u>866</u>

The distribution of remission payments among students is shown below:

<u>Remission Amount</u>	<u>% of Recipients</u>
\$ 1 - \$ 500	17.08%
501 - 1,000	46.33%
1,001 - 1,500	32.08%
1,501 - 2,000	<u>4.51%</u>
	<u>100.0</u>

HOW HAS THE ONTARIO STUDY GRANT PLAN HELPED STUDENTS IN VOCATION-ORIENTED COURSES OFFERED AT PRIVATE VOCATIONAL SCHOOLS?

When the Ontario Study Grant Plan was introduced in 1978-79, 20 private vocational schools were approved for participation in the grant plan. This selection was based on past record of these institutions in administering the Canada Student Loan Program and as well on consultations with the Private Career Education Council. In 1979-80, 24 private vocational schools participated in the grant plan.

During the year 1979-80, 2,564 students received grant assistance of \$2.62 million. The number of students who received grant in 1979-80 represents an increase of 55.11% over that in the previous year. The average amount of grant assistance provided to students enrolled in private vocational schools in 1979-80 was \$1,021.

Private Vocational school students who received grant assistance in 1979-80 were enrolled mainly in engineering and technology, trades and vocations and administration/business programs.

HOW HAVE THE STUDENT ASSISTANCE PROGRAM OBJECTIVES BEEN MET?

By providing non-repayable grants based on the individual student's needs, the Ontario Student Assistance Program promotes accessibility to all students. A total of \$79.77 million was provided in grant assistance during the 1979-80 academic year. Of the amount provided for dependent single students, a large share (33.45%) was made available to students with parental gross income of 12,000 and less. No parental support was expected from 27.44% of the dependent students who received grants. This was due to the low gross incomes of their parents. Moreover, some of these students (about 6,700) also received supplementary allowances ranging from \$5 to \$15 per week of study in addition to the regular personal and living allowances applicable, if they stayed at their parental homes while going to school.

In 1978-79 the focus in the grant program was shifted significantly to dependent single students. This is very evident by the fact that in 1979-80 close to 75% of the total grant awards were made to this group of students. This is in sharp contrast to the situation before 1978-79 when only 45.5% of the grant awards were received by this group. Grant awards made during the year 1979-80 ranged from a minimum of \$20 to well over \$4,000 for some students. The actual amount was dependent on their individual circumstances. The number of students who received grants has increased by 15.51% during the 1979-80 academic year. Most of these students were also entitled to some loans: either a federal loan, or a mix of federal and provincial loans, which was expected to meet their needs in full.

The participation of selected groups in the grant program is as follows:

- 53.02% of the students who received grants were women.
- 4.65% of the students were single parents who were assisted with a mix of grant and loan.
- 2,564 students were from the private vocational schools designated as eligible institutions for the grant program in 1979-80.

Provincially guaranteed loans of \$17.98 million were provided during the 1979-80 year, in addition to federal loans of \$73.2 million. Through a combination of these two interest-subsidized loans, the program has tried to ensure equality of opportunity to higher education for students who required funds. Loans supplemented grants in achieving the main objective of the program which is to help financially needy students without relevance to the courses/programs/subjects chosen by them. 81,936 students were provided a mix of federal and provincial loans. Of these students, 19,563 were only eligible for loans. Out of these 19,563 students, 11,165 were allowed loan remission for \$10.32 million during 1979-80.

The criteria for the treatment of assets, students' own assets or those of their parents or family, continued to ensure in 1979-80 that students with personal or family resources utilized these funds before seeking government assistance. One change introduced in 1979-80 related to the cut-off provision based on assets. Students with asset levels in excess of specified limits could not apply for assistance in 1978-79. To avoid an abrupt cut-off from grant and loan assistance, a contribution table was introduced in 1979-80 which determined the amount of expected contribution based on the value of net assets. In 1979-80, 3,132 students had a contribution from parental assets, the average contribution being \$544. Contribution from 762 married students' family assets was \$666 per student. A total of 2,635 dependent and independent single students made some contribution (average \$495) from their own assets.

Students with unique circumstances not covered by normal assessments under the Ontario Student Assistance Program, are allowed to appeal for additional assistance. These appeals are handled by an Appeal Board consisting of representatives from the student body, the public and the Ontario Association of Student Financial Aid Administrators. During the 1979-80 academic year, 1,116 appeals were handled by the Appeal Board. Some of the reasons for these appeals were: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist and spouse's inability to contribute. These appeals in 1979-80 resulted in the awarding of \$568,165 in additional grants and \$826,910 in additional loans to students. As an independent external body, the Appeal Board has sought to ensure equity in individual cases and to provide additional support funds where needed.

CONCLUSION

In its second year of operation, The Ontario Study Grant Plan has promoted accessibility to post-secondary education for Ontario residents. As a need-based plan, it has focused attention on students who needed supplemental financial assistance to complete their post-secondary studies. Students from low income backgrounds have received assistance under the plan to an extent that they can hope to complete their basic post-secondary degree or diploma with no or minimum loan. With loans provided as supplement to non-repayable grants, students have the option of using these additional funds to meet expenses which they may choose to incur according to their life-style priorities.

It should, however, be noted that students' decisions to undertake post-secondary study depend on a variety of reasons only one of which is the availability of financial support.

APPENDIX A

TABLE 1

ONTARIO STUDENT ASSISTANCE PROGRAM

TOTAL PROVINCIAL EXPENDITURE: GRANTS, LOAN INTEREST & DEFAULT, BURSARY

<u>Fiscal Year</u>	<u>Ontario Study Grants</u>	<u>Ontario Student Loan Interest and Defaults</u>	<u>Ontario Special Bursary</u>	<u>Total</u>
1979-80	84,009,164*	1,373,440	409,394	85,791,998
1978-79	78,989,259*	424,177	427,736	79,841,172
1977-78	66,491,360	284,529	427,880	67,203,769
1976-77	54,973,977	116,093	300,137	55,390,207
1975-76	49,117,077	29,448	208,583	49,355,108
1974-75	39,445,128	22,329**	141,648***	39,609,105
1973-74	31,238,657	-	-	31,238,657
1972-73	23,115,327	-	-	23,115,327
1971-72	28,882,135	-	-	28,882,135

* include loan remission

** Part-time Student Loans Program

*** Part-time Student Bursaries Program

[Source - Public Accounts of Ontario]

APPENDIX A

TABLE 2

ONTARIO STUDENT ASSISTANCE PROGRAM
FULL TIME ENROLMENT AND OSAP RECIPIENTS

<u>Year</u>	<u>Full time enrolment in Ontario Universities and Colleges</u>	<u>OSAP Recipients (Grant & Loan) Enrolled in Ontario Universities and Colleges</u>
1979-80	225,504	81,936
1978-79	219,204	74,956
1977-78	219,982	99,098
1976-77	221,858	101,417
1975-76	216,691	74,829
1974-75	205,158	88,984
1973-74	195,114	72,001

[Source - MCU Management Information Systems Reports
- MCU Statistical Reports]

APPENDIX A

TABLE 3

ONTARIO STUDENT ASSISTANCE PROGRAM
GRANT AWARDS BY STUDENT GROUP

<u>Program</u> <u>Year</u>	<u>Total</u> <u>Awards</u> <u>issued</u>	<u>Dependent</u> <u>Single</u> <u>Students</u> <u># of Awards</u>	<u>Married</u> <u>Students</u> <u># of Awards</u>	<u>Independent</u> <u>Single</u> <u>Students</u> <u># of Awards</u>
1979-80	62,373	46,703 (74.9%)	6,546 (10.5%)	9,124 (14.6%)
1978-79	54,000	40,235 (74.5%)	5,223 (9.7%)	8,542 (15.8%)
1977-78	63,484	28,858 (45.5%)	8,732 (13.7%)	25,894 (40.8%)
1976-77	59,086	26,033 (44.1%)	8,688 (14.7%)	24,365 (41.2%)
1975-76	51,111	25,768 (50.4%)	6,591 (12.9%)	18,752 (36.7%)
1974-75	48,326	26,762 (55.4%)	6,253 (12.9%)	15,311 (31.7%)
1973-74	44,640	28,189 (63.1%)	7,914 (17.8%)	8,537 (19.1%)
1972-73	37,645	22,594 (60.0%)	7,692 (20.5%)	7,359 (19.5%)
1971-72	45,439	29,599 (65.1%)	8,724 (19.2%)	7,116 (15.7%)

[Source - MCU Statistical Reports]

APPENDIX A

TABLE 4

ONTARIO STUDENT ASSISTANCE PROGRAM
GRANT AWARDS : \$ RANGES

<u>Range of Award</u>	<u>1978-79</u>	<u>1979-80</u>
	<u>Recipients</u> <u>As a % of Total</u>	<u>Recipients</u> <u>As a % of Total</u>
< \$501	12.44%	13.51%
\$ 501 - 1,000	16.95%	17.70%
1,001 - 1,500	17.24%	17.55%
1,501 - 2,000	26.94%	25.85%
2,001 - 2,500	14.24%	12.87%
2,501 - 3,000	9.49%	9.53%
3,001 - 3,500	1.90%	2.12%
3,501 - 4,000	0.51%	0.58%
> \$4,000	<u>0.29%</u>	<u>0.29%</u>
	<u>100.00</u>	<u>100.00</u>

[Source - MCU Statistical Reports]

APPENDIX A

TABLE 5

ONTARIO STUDENT ASSISTANCE PROGRAM
AVERAGE GRANT AWARDS BY STUDENT GROUP

Student Group	1979-80	1978-79	1977-78	1976-77
A	\$1,243	\$1,213	\$ 863	\$ 735
B Single	1,570	1,739	1,097	908
B Married	1,310	1,195	1,381	1,285

Note: In 1976-77 and in 1977-78, students were required to accept \$1,000 in CSL before a grant award was issued. In 1978-79 and 1979-80, additional loan assistance was optional.

[Source Statistical Reports]

1924N
09120
225

REVISED

APPENDIX A

TABLE 5

ONTARIO STUDENT ASSISTANCE PROGRAM
AVERAGE GRANT AWARDS BY STUDENT GROUP

Student Group	1979-80	1978-79	1977-78	1976-77
A	\$1,229	\$1,253	\$ 863	\$ 735
B Single	1,538	1,796	1,097	908
B Married	1,269	1,234	1,381	1,285

Note: In 1976-77 and in 1977-78, students were required to accept \$1,000 in CSL before a grant award was issued. In 1978-79 and 1979-80, additional loan assistance was optional.

[Source - MCU Statistical Reports]

APPENDIX A

TABLE 6

ONTARIO STUDENT ASSISTANCE PROGRAM

GROSS INCOME RANGES OF PARENTS OF DEPENDENT STUDENTS RECEIVING GRANTS

<u>Parental Gross Income Ranges</u>	<u>1978-79</u>		<u>1979-80</u>	
	<u># of Students</u>	<u>As a % of Total</u>	<u># of Students</u>	<u>As a % of Total</u>
< \$8,001	7,964	19.80%	8,570	18.35%
\$ 8,001 - 9,000	1,444	3.59%	1,607	3.44%
9,001 - 10,000	1,551	3.85%	1,705	3.65%
10,001 - 11,000	1,646	4.09%	1,781	3.81%
11,001 - 12,000	1,726	4.29%	1,962	4.20%
12,001 - 13,000	1,734	4.31%	1,943	4.16%
13,001 - 14,000	1,892	4.70%	2,024	4.33%
14,001 - 15,000	1,899	4.72%	2,059	4.41%
15,001 - 16,000	1,918	4.77%	2,044	4.38%
16,001 - 17,000	1,988	4.94%	2,113	4.52%
17,001 - 18,000	1,963	4.88%	2,134	4.57%
18,001 - 19,000	1,943	4.83%	2,128	4.56%
19,001 - 20,000	1,796	4.46%	2,081	4.46%
20,001 - 25,000	6,541	16.26%	8,263	17.70%
25,001 - 30,000	2,950	7.33%	4,023	8.61%
30,001 - 35,000	928	2.31%	1,565	3.35%
35,001 - 40,000	239	0.59%	477	1.02%
>\$40,000	<u>113</u>	<u>0.28%</u>	<u>224</u>	<u>0.48%</u>
TOTAL	<u>40,235</u>	<u>100.0</u>	<u>46,703</u>	<u>100.0</u>

[Source - HCU Statistical Reports]

APPENDIX A

TABLE 7

ONTARIO STUDENT ASSISTANCE PROGRAM

GROSS ASSET RANGES OF PARENTS OF DEPENDENT STUDENTS
ELIGIBLE FOR GRANTS

<u>Parental Gross</u> <u>Asset Ranges</u>	<u>1978-79</u> <u>% of Students</u>	<u>1979-80</u> <u>% of Students</u>
< \$1	5.98%	4.65%
\$ 1 - 75,000	76.07%	69.94%
75,001 - 100,000	10.99%	12.70%
100,001 - 125,000	3.33%	5.61%
125,001 - 150,000	1.39%	2.76%
150,001 - 175,000	0.99%	1.67%
175,001 - 200,000	0.48%	1.12%
200,001 - 225,000	0.29%	0.81%
225,001 - 250,000	0.14%	0.62%
>\$250,000	<u>0.34%</u>	<u>0.12%</u>
TOTAL	<u>100.0</u>	<u>100.0</u>

[Source - HCU Statistical Reports]

APPENDIX A

TABLE 8

ONTARIO STUDENT ASSISTANCE PROGRAM
CONTRIBUTION FROM STUDENTS' SUMMER EARNINGS

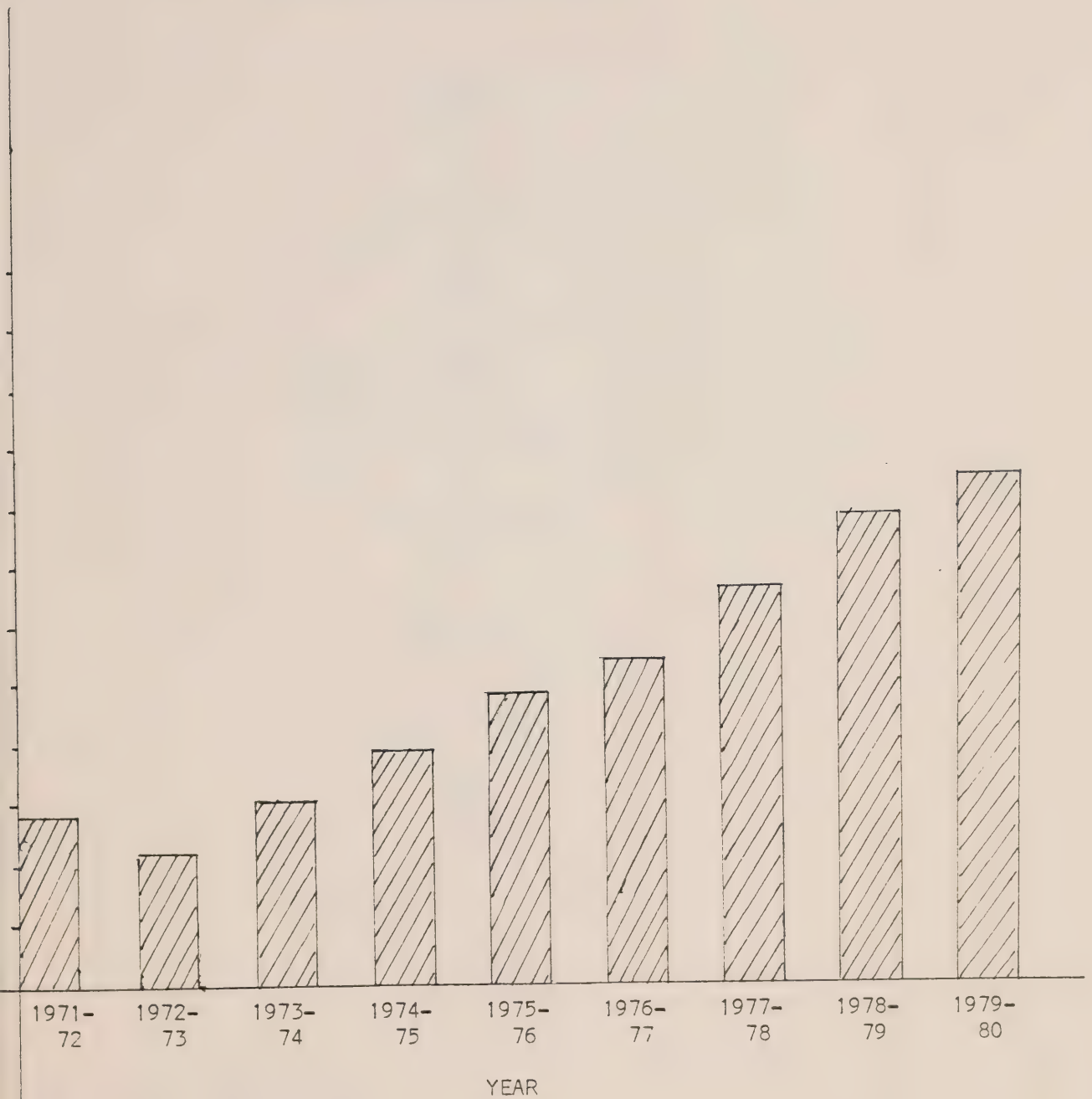
<u>Contribution Ranges</u>	<u>% of Students</u>	
	<u>1978-79</u>	<u>1979-80</u>
< \$1	9.03%	8.66%
\$ 1 - 200	0.06%	0.14%
201 - 400	17.80%	18.71%
401 - 600	4.35%	4.92%
601 - 800	47.54%	45.59%
801 - 1,000	7.14%	6.45%
1,001 - 1,200	5.48%	5.37%
1,201 - 1,400	3.45%	3.49%
1,401 - 1,600	2.36%	2.70%
1,601 - 1,800	1.18%	1.40%
1,801 - 2,000	0.67%	1.01%
2,001 - 2,200	0.40%	0.62%
2,201 - 2,400	0.20%	0.38%
2,401 - 2,600	0.12%	0.25%
2,601 - 2,800	0.07%	0.09%
2,801 - 3,000	0.05%	0.07%
>\$3,000	<u>0.10%</u>	<u>0.15%</u>
TOTAL	<u>100.0</u>	<u>100.0</u>

[Source - MCU Statistical Reports]

APPENDIX B

CHART 1

ONTARIO STUDENT ASSISTANCE PROGRAM
TOTAL EXPENDITURE

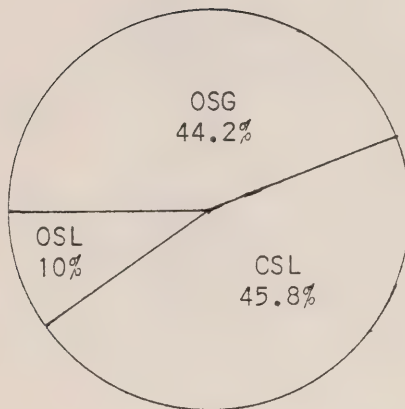


APPENDIX B

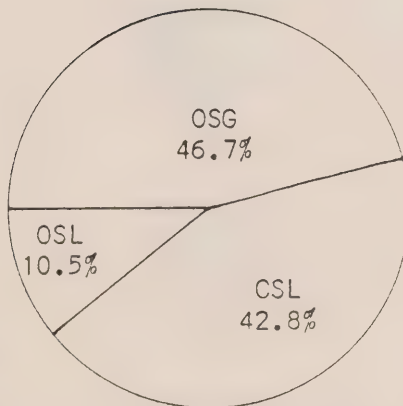
CHART 2

ONTARIO STUDENT ASSISTANCE PROGRAM
BREAKDOWN OF TOTAL ASSISTANCE

1978-79



1979-80



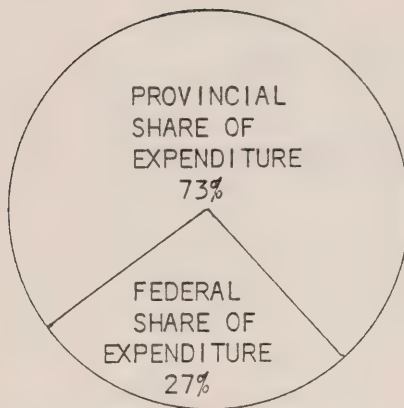
OSG: ONTARIO STUDY GRANT
CSL: CANADA STUDENT LOAN
OSL: ONTARIO STUDENT LOAN

APPENDIX B

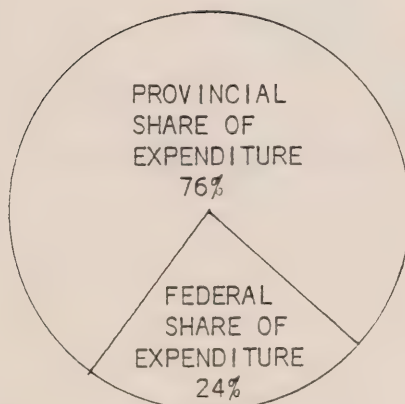
CHART 3

ONTARIO STUDENT ASSISTANCE PROGRAM
EXPENDITURE⁴ BY FEDERAL AND
PROVINCIAL GOVERNMENTS

1978-79



1979-80



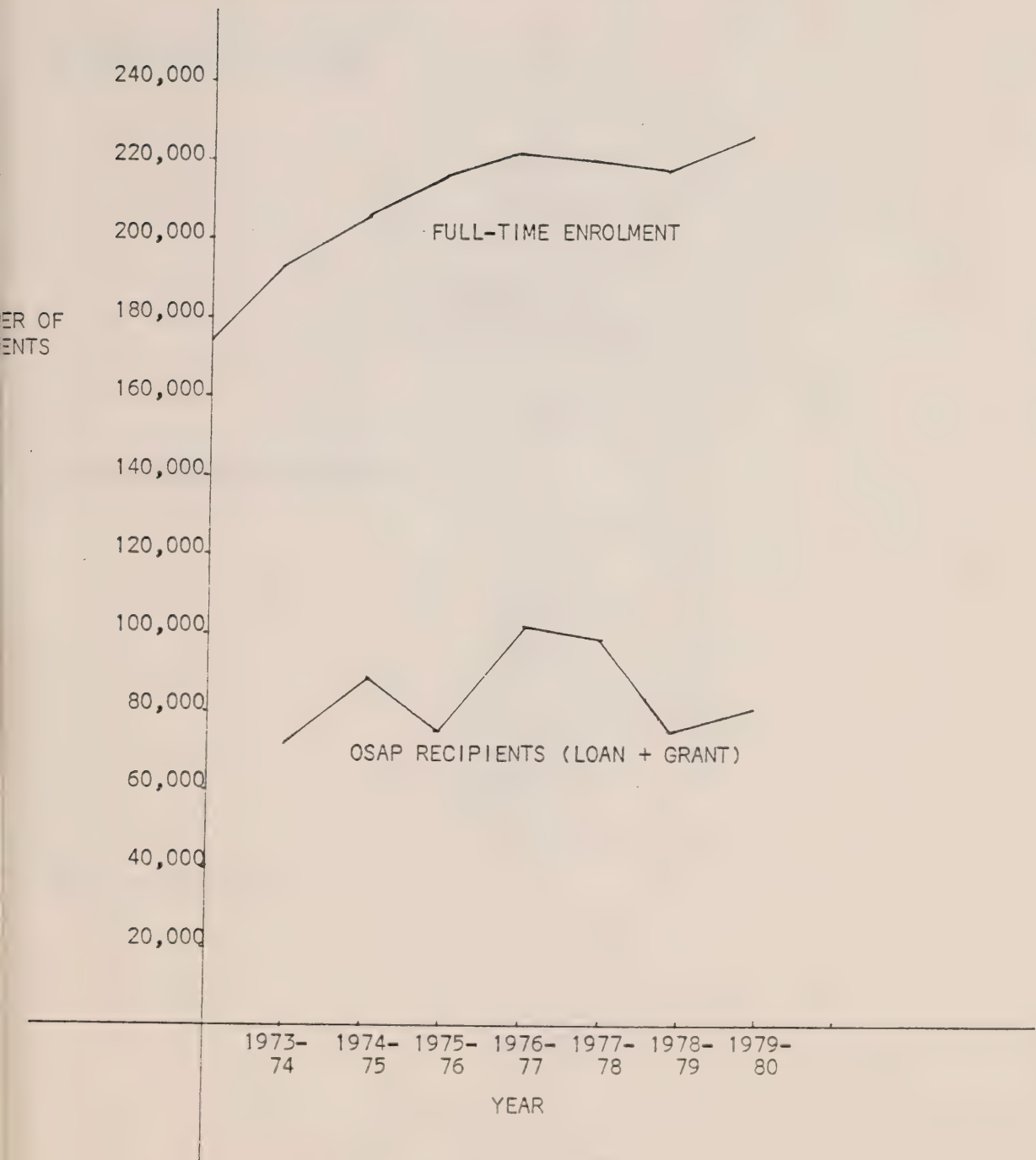
⁴Expenditure includes:

Grants and bursaries, Interest on federal and provincial loans, Payments covering loan defaults, Loan remissions and other direct payments to students.

APPENDIX B

CHART 4

ONTARIO STUDENT ASSISTANCE PROGRAM
FULL-TIME ENROLMENT IN ONTARIO UNIVERSITIES
AND COLLEGES, AND OSAP RECIPIENTS

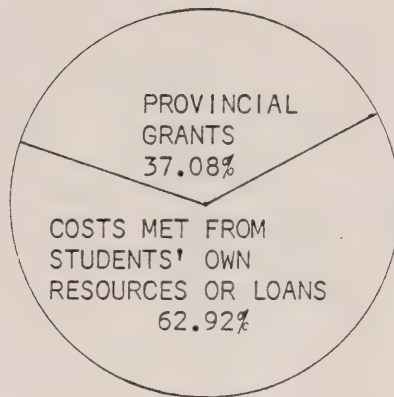


APPENDIX B

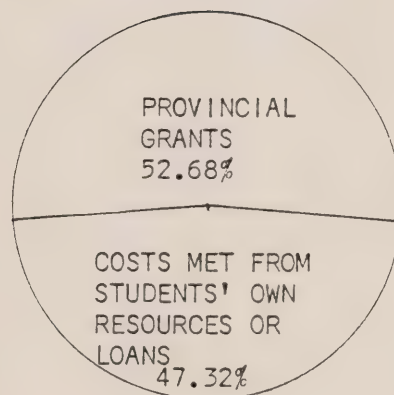
CHART 5

ONTARIO STUDENT ASSISTANCE PROGRAM
COSTS OF STUDENTS APPLYING FOR GRANTS

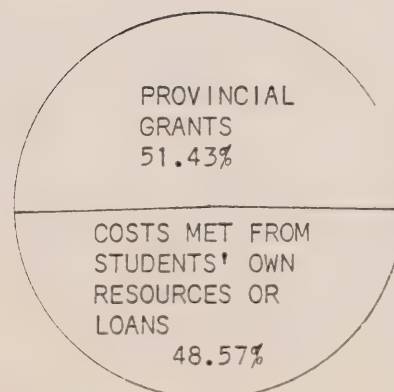
DEPENDENT SINGLE STUDENTS



INDEPENDENT SINGLE STUDENTS



MARRIED STUDENTS

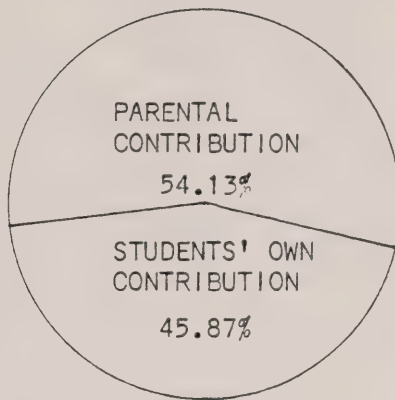


APPENDIX B

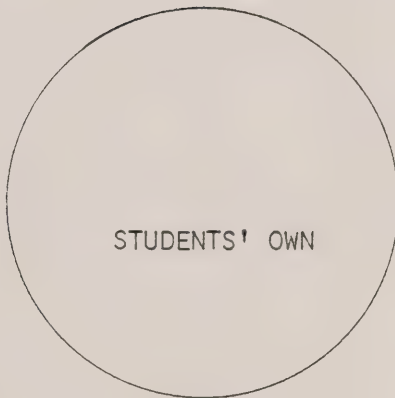
CHART 6

ONTARIO STUDENT ASSISTANCE PROGRAM
RESOURCES OF STUDENTS IN GRANT ASSESSMENT

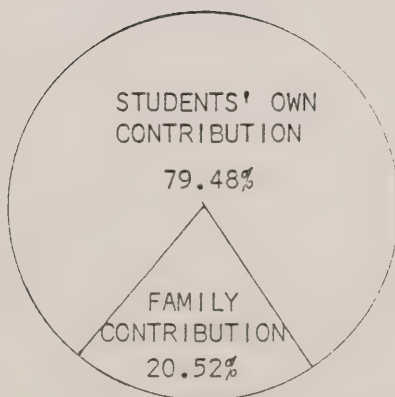
DEPENDENT SINGLE STUDENTS



INDEPENDENT SINGLE STUDENTS



MARRIED STUDENTS





Ministry of
Colleges and
Universities

Hon. Bette Stephenson, M.D., Minister
Harry K. Fisher, Deputy Minister

Government
Publications

CAN
D6120
- R25

A Review of the Ontario Student Assistance Program - Report for 1980/81



OSAP

A Review of the Ontario
Student Assistance Program
for 1980-81.

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Summary	2
The Recipients	4
Amount of Assistance Received	6
How the Students' Educational Costs Were Met	8
Family Profile of Students Receiving Assistance	9
Study Level/Course Profile	10
Federal Assistance Provided to Students Under the Canada Student Loans Program	12
Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans	13
How the Ontario Special Bursary Plan Meets the Financial Needs of Students Facing Special Circumstances	15
Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received	17
Role the Appeal Board Plays in the Program	17
The Ministry Verification of Information	17
The Loan Remission Plan - and How It Eased the Transition From the Old to the New Plan	18
Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools	19
Summary and Conclusion	20

TABLE OF CONTENTS (Cont'd).

Page

Appendix 1: Tables

A.	Total Provincial Expenditure - Grants, Loan Interest and Default, Bursaries	22
B.	Full-Time Enrolment and OSAP Recipients	23
C.	Grant Awards by Student Group	24
D.	Awards - Dollar Ranges	25
E.	Average Grant Awards by Student Group	26
F.	Gross Income Ranges of Parents of Dependent Students Receiving Grants	27
G.	Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	28
H.	Contribution From Students' Summer Earnings	29

Appendix 2: Charts

A.	Total Expenditure	30
B.	Breakdown of Total Assistance	31
C.	Expenditure by Federal and Provincial Governments	32
D.	Full-Time Enrolment in Ontario Universities and Colleges and OSAP Recipients	33
E.	Costs of Students Applying for Grants	34
F.	Resources of Students in Grant Assessment	35
G.	Grant Awards by Student Group	36
H.	Grant Awards by Institution	37
I.	Parental Gross Income of Dependent Single Students Receiving Grants	38
J.	Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges and OSAP Recipients	39

Introduction

Provincial assistance for post-secondary students in Ontario dates back to the early 1920s, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1966-67, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario provincial grants supplemented the federal loans. In 1978 the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and the assessment of financial need.

The main objectives of the Ontario Student Assistance Program are as follows:

- to encourage and assist academically qualified and financially needy Ontario residents to participate in post-secondary education;
- to ensure equal opportunity for, and increased participation of, students from low income families and disadvantaged groups; and
- to provide various forms of financial assistance to meet the diverse needs of students in different programs and circumstances.

In order to meet these objectives, assistance is provided in the form of non-repayable grants (for the first four years of post-secondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the four plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake post-secondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1980-81. The report analyses the assistance provided under the program - (to whom aid was given, in what form, etc.). It also reviews the program's operation in terms of its individual components and verification. A critical look is taken at the extent to which the program has met its objectives.

Wherever possible, comparative data are provided for earlier years. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year the operation of the program differed significantly in that a student was required to negotiate the first \$1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province. Comparisons from year to year will become more useful as the Ontario Study Grant Plan evolves.

In 1980-81 a student was classified as Group B (independent) for the grant assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for the loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had completed four or more years of full-time post-secondary study or had a combination of twelve months' full-time work and three years' full-time post-secondary study. A student who did not meet the above criteria was classified as Group A (dependent).

Detailed tables on the various distributions of these awards are provided as appendix to this report.

Summary

During the academic year 1980-81¹, a total of 78 991 students received aid in the form of loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$186.36 million²; \$81.02 million of this was in the form of grants, and \$105.34 million in the form of loans. The highlights of the program's performance in 1980-81 are as follows:

- Of all students in full-time enrolment in Ontario colleges and universities, 29.38 per cent received assistance under the Ontario Student Assistance Program. Of these, 24.06 per cent received a mix of grants and loans, and 5.32 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario colleges and universities decreased by 2.80 per cent over that of the previous year. Grant awards decreased by 0.08 per cent and loan awards by 3.59 per cent from 1979-80.
- Average grants for the three main categories of students changed slightly: there was no change for dependent single students, a 6.31 per cent increase for independent single students, and a 5.44 per cent increase for married students.
- The increase in the number of grant awards was mainly to students enrolled in the colleges of applied arts and technology (2.54 per cent) and private vocational schools (18.21 per cent); university students eligible for grants registered a decrease of 2.74 per cent.
- The number of dependent single students receiving grants increased by 2.25 per cent. The number of married students receiving grants recorded a decrease of 3.85 per cent. The decrease in the number of independent single students receiving grants was 9.33 per cent.
- The number of Canadian citizens receiving grants increased by 0.63 per cent. The number of landed immigrants (permanent residents) recorded a decrease of 9.73 per cent.
- Of the total grant awards, 52.95 per cent were made to female students.

¹The academic year covers the period from July of one year to August of the following year (from September to the following April for most students) and overlaps two government fiscal years, which run from April of each year to the following March.

²Assistance consists of loans and grants and does not include the expenditure made on interest payments and defaults on loans. It does not include remission payments made to banks to reduce students' loans. Loan remission was discontinued from July 31, 1980.

- Of the students enrolled in Ontario universities, 32 823 received assistance in the form of grants or a mix of grants and loans. The breakdown of this enrolment was as follows: 30 691 in undergraduate programs; 146 in graduate programs; and 1986 in diploma, certificate, and other non-degree programs.
- Of the students enrolled in Ontario colleges, 24 669 received grants and/or loans. These students were enrolled in the following programs: 21 159 in diploma programs, 2897 in certificate programs, and 613 in other programs.
- A large number of the awards (39.19 per cent) fell in the \$1001 - \$2500 range. The distribution of awards showed an increase in the over \$2500 range. For example, the increases were 6.02 per cent in the \$2501 - \$3000 range and 25.02 per cent in the awards over \$3000. There was a decrease (13.96 per cent) in the number of awards under \$1001.
- The parental-income profile of dependent single students receiving grants showed a slight variation from 1979-80. Most of the parental incomes showed a small upward shift to the next higher income range. Of the dependent single students receiving grants, 43.51 per cent showed a parental gross income of under \$15 001, 55.53 per cent had parental gross incomes below \$18 001 and 63.63 per cent had parental gross incomes less than \$20 001. Tables on these distributions are provided in Appendix 1.
- The family size of dependent single students receiving grants maintained more or less the same pattern as in the previous year. The figures given in Table 1 are self-explanatory.

Table 1: Family Size of Dependent Single Students Receiving Grants

Number of Children	Per Cent of Students
1 child	27.02
2 children	28.91
3 children	23.67
4 children	13.03
Over 4 children	7.37
Total	100.0

- A total of 2160 students received loan remissions. The dollar amount of remission payments was \$2.67 million. This amount represents the last payment of loan remissions for the academic year 1979-80 made in the fiscal year 1980-81. Loan remission payments have since been discontinued.
- Students who were eligible to apply only for loans came mainly from three groups: independent single students (75.77 per cent), dependent single students attending schools away from their parental homes (9.36 per cent) and independent married students (9.89 per cent). Of the independent single students, 29.85 per cent had loans in the range of \$1 - 2000, 24.40 per cent had loans in the range of \$2001 - \$3000, and 45.75 per cent had loans in the range of \$3001 and over.

The Recipients

For the academic year 1980-81, a total of 62 320 grant awards were issued for a dollar value of \$81.02³ million. In addition, 78 991 loans were issued for an amount of \$105.34 million, consisting of \$83.39 million in federal loans and \$21.95 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 2 shows.

Table 2: Student Awards by Type

	Number of Awards		Dollar Value (in millions)	
Grants	62 320	(44.10%)	\$81.02	(43.47%)
Loans	78 991	(55.90%)	\$105.34	(56.53%)
Total	141 311	(100.0%)	\$186.36	(100.0%)

Of the 78 991 loan awards, 16 671 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their post-secondary study before applying for assistance in 1980-81.

Of the total grant awards issued in 1980-81, 32 823 were made to students attending universities in Ontario, and 24 669 to students enrolled in Ontario colleges of applied arts and technology. Out of the total of 78 991 loans, 44 065 were issued to university students in Ontario, and 26 301 to college students. Table 3 presents a breakdown of this assistance.

Table 3: Student Awards by Type of Institution Attended

Institution Attended	Grants		Loans	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	32 823 (52.67%)	\$43.83 (54.10%)	44 065 (55.78%)	\$63.87 (60.63%)
College in Ontario	24 669 (39.58%)	\$31.48 (38.85%)	26 301 (33.30%)	\$25.52 (24.23%)
Other Institutions	4 828 (7.75%)	\$ 5.71 (7.05%)	8 625 (10.92%)	\$15.95 (15.14%)
Total	62 320	\$81.02	78 991	\$105.34

³This amount does not include the last of the remission payments made to banks in 1980-81 in reduction of student loans. These remission payments were, in essence, deferred grants that are not repayable.

The following Table summarizes the breakdown of the loans and grants by the type of student.

Table 4: Number (Per Cent) of Student Awards by Type of Student

	Grants	Loans
Dependent single students	47 753 (76.63%)	49 678 (62.89%)
Independent single students	8 273 (13.27%)	20 904 (26.46%)
Married students*	6 294 (10.10%)	8 409 (10.65%)
Total	62 320	78 991

*Included in the married students are 3173 single parents who received grant and loan assistance and 466 single parents who were awarded loans only.

Of the grant awards 58 413 (93.73 per cent) were made to Canadian citizens, and the remainder (3907) to landed immigrants (permanent residents). With respect to loan awards, 73 851 (93.49 per cent) were issued to Canadian citizens, and 5140 to landed immigrants.

During the academic year 1980-81, the number of female students receiving assistance has remained fairly consistent with previous years, as shown in Table 5.

Table 5: Students Receiving Assistance, by Sex

	Grants		Loans	
	1979-80	1980-81	1979-80	1980-81
Male students	29 304 (46.98%)	29 320 (47.05%)	40 758 (49.74%)	38 876 (49.22%)
Female students	33 069 (53.02%)	33 000 (52.95%)	41 178 (50.26%)	40 115 (50.78%)
Total	62 373	62 320	81 936	78 991

There was a slight drop in the total number of grant awards issued in 1980-81 (0.08 per cent). The decrease in loan awards for the same period was higher (3.59 per cent). The decrease in both the loan and grant awards can be attributed to two main reasons: (a) the withdrawal of the loan remission scheme, which was introduced as a transitional measure with a two year life span; (b) an increase in the parental gross incomes for dependent single students.

Amount of Assistance Received

Of the total amount of grants, 76.63 per cent was received by the single students whose parental resources were taken into consideration; independent single students and married students received 13.27 per cent and 10.10 per cent respectively of the total grants. Table 6 shows the average grant assistance for the three groups of students.

Table 6: Average Grant Assistance by Type of Student

	1979-80	1980-81
Dependent single students	\$1229	\$1229
Independent single students	\$1538	\$1635
Married students	\$1269	\$1338

The average grant assistance to dependent single students shown in Table 6 is a composite amount for students who stayed with their parents while at school and for those who did not. Of the dependent single students, 68.98 per cent lived away from home during 1980-81. The corresponding percentage for 1979-80 was 69.96.

The award profile of students according to the type of school they attended is shown in Table 7.

Table 7: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant	
	1979-80	1980-81
University in Ontario	\$1305	\$1335
College in Ontario	\$1271	\$1276
Other institutions	\$1128	\$1182

The increases in average awards for students at Ontario post-secondary institutions are quite obvious. With tuition fees increasing at the rate of approximately 10 per cent per year, the increased costs are partially offset by increases in parental contributions and in students' own contributions from summer earnings, leaving a difference that is met in the form of additional grants. The ceilings on grants for independent single students, and generally for all students attending private vocational schools, limit the extent of the actual increases in the awards.

The figures for loans issued in 1980-81, shown in Tables 8 and 9, reflect a slightly different picture from that for grants. The following are two possible reasons for the increases in average loans: (a) the cost/resource levels for loan assessments are less stringent than those for grant assessments and hence the financial need under loan assessments is higher; (b) students who appeal for increased assistance because of special circumstances do get additional support funds in the form of loans.

Table 8: Average Loan Assistance by Type of Student

	1979-80	1980-81
Dependent single students	\$ 633	\$ 798
Independent single students	\$1836	\$2214
Married students	\$2093	\$2196

Table 9: Average Loan Assistance by Type of Institution

Institution Attended	Average Loan	
	1979-80	1980-81
University in Ontario	\$1208	\$1449
College in Ontario	\$ 764	\$ 970
Other institutions	\$1616	\$1849

Table 10 shows the distribution of awards for the two academic years 1979-80 and 1980-81:

Table 10: Distribution of Awards by Value

Value of Awards	Percentage of Recipients	
	1979-80	1980-81
Less than \$1001	31.21	17.25
\$1001 - \$1500	17.55	12.19
\$1501 - \$2000	25.85	14.46
\$2001 - \$2500	12.87	12.54
\$2501 - \$3000	9.53	15.55
Over \$3000	2.99	28.01
Total	100.0	100.0

The size of the grant awards assessed during 1980-81 varied according to the individual circumstances of the applicants for assistance. While costs generally increased, variations in resources affected the change in the pattern of awards from 1979-80 to 1980-81. The grant awards ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Of the awards, 39.19 per cent were in the range of \$1001 to \$2500. Awards in excess of \$2500 accounted for 43.56 per cent of the total. The profile of awards shows an increase in the number of awards in the \$2501 - \$3000 range and a very significant increase in the \$3001 - \$3500 range. This would indicate that funding is reaching its intended clientele, that is, students from low income families whose needs are significantly high. Another contributing factor is the number of married students whose family income did not rise to the same extent as their educational costs and who, therefore, received increased awards.

How the Students' Educational Costs Were Met

The total costs of students attending post-secondary schools are made up of tuition fees, ancillary fees, and book, equipment, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the student's resources to the extent needed to meet these costs. During 1980-81 student costs in grant assessments consisted of 20.28 per cent for tuition fees, 61.48 per cent for food and accommodation, 9.41 per cent for books and equipment, and the balance (8.83 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 11. They reflect the general increase in costs for all students. The average student costs by type of institution attended are given in Table 12.

Table 11: Average Student Costs by Type of Student

	1979-80	1980-81
Dependent single students	\$2984	\$3132
Independent single students	\$2955	\$3272
Married students	\$2093	\$2236

Table 12: Average Student Costs by Type of Institution Attended

	1979-80	1980-81
University in Ontario	\$3010	\$3319
College in Ontario	\$2632	\$2784
Other institutions	\$2391	\$2589

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school). For students attending Ontario universities, the average tuition fee increase was \$98. Similar increases for students enrolled in Ontario colleges of applied arts and technology averaged approximately \$69.

Approximately 57 per cent of the total educational costs of all students eligible for grants in 1980-81 was met out of the resources of the students and/or their families. The remaining 43 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the average percentage of total costs met by non-repayable grants is as follows: dependent single students - 39.24 per cent, independent single students - 49.97 per cent and married students - 59.84 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the students' own contribution (38.23 per cent) and a parental contribution (61.77 per cent). Parental contribution accounted for about 65.28 per cent of the total resources for students living away from home, but only 48.17 per cent for students living with parents while at school. Such parents provided further assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 55.93 per cent of the dependent single students who received grant assistance in 1980-81 were from families with one or two children. The distribution of families by number of children is given in Table 1, Page 3.

The slight increase in 1980-81 in the number of families with one child is compensated by a corresponding decrease in the number of families with five or more children. Apart from these, the distribution of families of dependent single students shows no change from the previous year.

The parental gross income of students who received grants in 1980-81 ranged from under \$8000 to just over \$40 000. A small percentage of dependent students were from families with a parental gross income of \$30 000 and over. These are families with a large number of children or with more than one child at the post-secondary level of study. These factors would increase the deductions allowable against gross incomes and thereby make the students eligible for grant assistance.

Table 13: Parental Gross Incomes of Students Receiving Grants

Parental Gross Income Ranges	Percentage of Students Assessed for Grants	
	1979-80	1980-81
Less than \$10 001	25.44	24.44
\$10 001 - \$15 000	20.91	19.07
\$15 001 - \$20 000	22.49	20.12
\$20 001 - \$25 000	17.69	17.54
\$25 001 - \$30 000	8.62	10.87
Over \$30 000	4.85	7.96
Total	100.0	100.0

As Table 13 indicates, the parental gross income distributions show a very small change in 1980-81 compared to the previous year. The number of students whose parents have gross incomes in the ranges over \$25 000 increased by 5.36 per cent. This increase was paralleled by small decreases in the gross income ranges below \$25 000. This is a reflection of an increase of 10.92 per cent in the median income of families in Ontario in 1980.

Statistics Canada's preliminary estimate of the median income for families in Ontario for 1980 was \$26 274 - up from \$23 688 in 1979. Approximately 84 per cent of dependent single students who received grant assistance in 1980-81 came from families with incomes below the 1980 median level.

The majority of married students who received grants in 1980-81 had a family gross income below \$10 001. Close to 39.99 per cent of married students had incomes below \$5001. Those with family incomes above \$10 000 accounted for 23.39 per cent of the total number of married students.

Study Level/Course Profile

The students who were assisted with grants in 1980-81 were, for the most part, enrolled in post-secondary courses of twenty-six to thirty-eight weeks' duration. In addition, there was a significant group of students taking courses of ten to nineteen weeks in length (8.92 per cent), and a slightly larger number taking courses of more than thirty-eight weeks' duration (9.71 per cent). The grant recipients in 1980-81, broken down by institution type and course length, are given in Table 14.

Table 14: Grant Recipients (Per Cent) by Type of Institution and Length of Course

Course Length	Per Cent In Ontario Universities	Per Cent In Ontario Colleges	Per Cent In Other Institutions
Less than 19 weeks	7.95	11.93	14.77
20 - 25 weeks	0.81	2.18	0.21
26 - 32 weeks	15.38	7.34	36.21
33 - 38 weeks	70.18	65.93	26.57
Over 38 weeks	5.68	12.62	22.24
Total	100.0	100.0	100.0

The general shift in the course length distributions has been from the "26 - 32 weeks" to "33 - 38 weeks" and "Over 38 weeks" categories. This shift represents a very slight increase in the program lengths of courses offered at the various Ontario post-secondary institutions. In part, it could possibly be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner.

Universities in Ontario Because of the restriction on grants to the first four years of post-secondary study, most of the grant recipients in 1980-81 were enrolled in undergraduate programs. About 5.99 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (65.35 per cent) went to students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1980-81 is given in Table 15.

Table 15: Distribution of University Students Receiving Grants by Type of Program

Faculty	Percentage of Students
Arts and Sciences	65.35
Engineering and Technology	10.87
Administration/Business	9.61
Health Sciences	5.49
Education and Social Work	4.73
Other	3.95
Total	100.0

Of the students who received only loans, 16.56 per cent were enrolled in graduate programs, and the remaining applicants (83.44 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 16 shows the distribution of students receiving only loans in 1980-81.

Table 16: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Others
Arts and Sciences	40.02	40.00	14.84
Law	12.95	0.38	22.97
Education and Social Work	12.52	14.18	10.06
Engineering and Technology	10.96	2.63	3.58
Business	7.24	29.81	3.87
Other	16.31	13.00	44.68
Total	100.0	100.0	100.0

Colleges in Ontario The programs in which grant recipients in Ontario colleges of applied arts and technology were enrolled in 1980-81 are given in Table 17.

Table 17: Distribution of College Students Receiving Grants by Type of Program

Faculty	Percentage of students
Administration/Business	28.07
Arts and Sciences	22.77
Engineering and Technology	21.63
Health Sciences	14.58
Education and Social Work	7.84
Trades and Vocations	4.49
Other	0.62
Total	100.0

Federal Assistance Provided to Students Under the Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the four aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years' post-secondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past four years is shown in Table 18.

The increase over previous years in the total Canada Student Loans assessed in 1980-81 is the result mainly of an increase in the costs faced by students, especially in tuition fees and food and accommodation costs. Moreover, students who have already had the equivalent of four years of post-secondary education can apply only for loans since they are not eligible for grants.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Assisted	Amount of Assistance (in millions)
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39

The levels of costs and allowances under the Canada Student Loans Program are generally more generous than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans as required to meet their additional expenses.

Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans

Under the Ontario Student Loans Plan provincially guaranteed loans are made available to students enrolled in post-secondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program either because the length of their course was less than twenty-six weeks, their program of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The plan grew steadily until 1978 when the total amount of loans negotiated since the inception of the plan reached \$3.85 million.

However, the maximum Canada Student Loan to which a student is entitled in a two-term academic year has remained since 1974 at \$1800 for a thirty-two week program in spite of annual increases in student costs. As a result, many students eligible for only loans are left with a part of their need not met through federal loans. To bridge this gap, the Ontario Student Loans Plan was expanded in 1978. Provincial loans now top off the federal loans, and students whose needs exceed the CSL maximum can obtain the additional funds they require through provincially guaranteed loans. As a consequence, the volume of Ontario Student Loans issued in the academic year increased to about \$21.95 million in 1980-81. Table 19 explains the growth in the provincially guaranteed loans.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the high rate of interest payable to lending institutions and (b) the extent of loan defaults by students. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Defaults

Year	Interest on Loans	Defaults Under Guarantee	
		Number	Amount
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76

While there appears to be a public perception that many students do not repay their loans, the evidence indicates otherwise. Under the Ontario Student Assistance Program, 55 190 students have negotiated provincial loans, and only 3.13 per cent of these students have defaulted on these loans. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a default rate of 5.76 per cent.

The above amounts represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once these amounts are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrower. Quite a number of the defaulted loans are recovered from the students; sometimes a commitment is received to provide repayment over a future period of time. In these cases interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts of such collections were \$6010 in 1978-79, \$31 900 in 1979-80, and \$119 200 in 1980-81.

The value of loans defaulted since the inception of the Ontario Student Loans Plan is slightly over \$2.5 million. These defaults (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4000 (see Table 21). An analysis of the reasons for the defaults (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

Table 21: Student Loan Defaults by Amount

Claim Ranges	Per Cent of Loan Accounts
\$ 1 - \$ 500	13.56
\$ 501 - \$1000	29.07
\$1001 - \$1500	15.78
\$1501 - \$2000	19.68
\$2001 - \$2500	14.32
\$2501 - \$3000	3.85
\$3001 - \$3500	1.73
\$3501 - \$4000	1.25
\$4001 and over	0.76
Total	100.0

Table 22: Student Loan Defaults - Reasons

Reason for Default	Per Cent of Defaults (Claims)
Death	1.14
Illness	1.84
Bankruptcy	3.42
Unemployment	12.96
Unwillingness/Non-cooperation	39.70
Inability to locate/trace/contact borrower	31.07
Other miscellaneous reasons	9.87
Total	100.0

How the Ontario Special Bursary Plan Meets the Financial Needs of Students Facing Special Circumstances

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was formally introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past six years this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1976-77 to 1980-81 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1976-77	1977-78	1978-79	1979-80	1980-81
Number of students assisted	1070	1256	1182	1211	1175
Total assistance provided	\$300 137	\$427 880	\$427 737	\$409 394	\$477 471
Average bursary award	\$ 281	\$ 341	\$ 362	\$ 338	\$ 406
Maximum bursary	\$ 900	\$ 1000	\$ 1200	\$ 1200	\$ 1200

The Ontario Special Bursary Plan was originally intended to cover only part-time students (that is, students carrying a 60 per cent course load or less). However, because of its suitability for students in skills-upgrading programs, students in such programs with a course load of over 60 per cent are also permitted to apply for this program.

Of the total number of students who received bursary assistance in 1980-81, 12 per cent were males and the remaining 88 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	Per Cent of Students
Single students	22.81
Single parents	66.98
Other married students	10.21
Total	100.0

Of all the bursary recipients, 82.13 per cent had no employment to report during the period of study. The remaining 17.87 per cent of bursary students had some kind of employment - 6.89 per cent were employed full-time, and 10.98 per cent reported part-time employment.

A large number of the bursary recipients in 1980-81 (88.09 per cent) were receiving support of some kind from a government or quasi-government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	Per Cent of Students
Family Benefits allowances	57.02
Unemployment insurance benefits	8.02
General Welfare allowances	20.68
Penitentiary allowances	0.07
Rehabilitation benefits	0.68
Other pension benefits	1.62
Subtotal	88.09
Those receiving no support	11.91
Total	100.0

A very large majority of the bursary recipients did not have any prior post-secondary education. Of the total bursary recipients 20.34 per cent had some post-secondary education. Another 9.11 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous post-secondary education, 60.7 per cent were single parents.

Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received

The policy on assets was introduced to discourage applications from students who had sufficient personal or family assets to support their own education costs. Through this policy a contribution is expected according to the level of student or family assets. Because of this, available funds could be directed to those students who needed assistance most. In 1980-81, 3553 students receiving grants had a contribution made from parental assets, the average contribution being \$577 per student. The average contribution from the 553 married students with assets was \$939 per student. There were 2594 students receiving grants who made a contribution from their own assets, the average amount being \$478 per student.

Role the Appeal Board Plays in the Program

Students with unique circumstances that are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an appeal board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators. During the 1980-81 academic year, 1157 appeals were handled by the appeal board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spouse's refusal or inability to contribute. These appeals in 1980-81 resulted in the awarding of \$1 676 161 in additional grants and \$970 829 in additional loans to students. As an independent external body, the appeal board ensures equity in individual cases and provides additional support funds when needed.

The Ministry Verification of Information

The main purpose of the Ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process data submitted by applicants are validated, and individual cases, which are either selected at the Ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed review by the Verification staff at the Ministry. Files maintained at the awards offices in the colleges and universities are audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms, which allow the Ministry to confirm the income data shown on the applications with Revenue Canada. In administering this system for income verification, the Ministry fully preserves the confidentiality of the information provided.

In 1980-81, 5080 selected files were examined for accuracy of assessments as part of the general audit of student data. The results of this examination showed a net grant overpayment of \$1 133 754. A total of 2586 cases were involved in this overpayment. The high number of overpayments among those selected is attributable to the process of selection for audit which identifies those cases of potential error.

One hundred and twenty cases were investigated for suspected fraud or misrepresentation. Following investigation, seven cases were referred to the federal authorities for prosecution under the Canada Student Loans Act. These are under investigation by the RCMP. Eight cases were referred to the Ontario Provincial Police. Of these, three still remain under active investigation. In two cases charges of fraud have been laid under the Criminal Code, with one case drawing an additional charge of forgery.

The Loan Remission Plan - And How It Eased the Transition From the Old to the New Plan

When the Ontario Study Grant Plan was introduced in 1978-79, grant eligibility became, for the first time, restricted to eight periods of study, generally corresponding to the first four years of post-secondary study. Before 1978-79 all students were required to assume a \$1000 student loan before receiving any grant assistance. Students in the second and third years of their post-secondary study and beyond found themselves at a disadvantage because of the change in eligibility criteria introduced in 1978. They had to assume a greater debt to complete their studies than did those students preceding them. A temporary loan remission plan was introduced for two years to repay a portion of the loans of the students who were in this transitional situation.

During the fiscal year 1980-81, a total of 2160 students had a portion of their loans in excess of \$500 per study term repaid by the government. The remission of fifty cents on every dollar of the excess debt worked out to approximately \$1238 per student. The amount of remission monies paid out in 1980-81 was approximately \$2.674 million. The remission scheme was discontinued as of July 31, 1980. The analysis in Table 26 of students who received remission in 1980-81 is self-explanatory.

Table 26: Number of Loan Remission Recipients 1980-81

	Universities	Colleges	Other
Dependent single students	45	8	1
Independent single students	1471	193	156
Married students	244	20	22
Total	1760	221	179

Through the loan remission arrangements introduced in 1978 it was possible for students who were caught midstream by the introduction of the Ontario Study Grant Plan to complete their studies without financial difficulty. They could have a portion of their loans remitted at the end of each academic year, leaving them more or less in the same position that they would have faced if the old program had continued. The loan remission arrangement cushioned these students against unforeseen or unanticipated loans and helped in their transition to the Ontario Study Grant Plan. With the discontinuance of the loan remission arrangement, students beyond the fourth year of their post-secondary study can still continue to receive a mix of federal and provincial loans that will be guaranteed for principal and interest by the government(s).

Assistance Under the Ontario Study Grant Plan for Students in
Vocation-oriented Courses Offered at Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1980-81, twenty-four private vocational schools qualified for participation in the grant plan.

During the year 1980-81, 3031 students received grant assistance totalling \$3.35 million. The number of students who received grants in 1980-81 represents an increase of 18.21 per cent over that in the previous year. The average amount of grant assistance provided to students enrolled in private vocational schools in 1980-81 was \$1104.

Private vocational school students who received grant assistance in 1980-81 were enrolled mainly in engineering and technology, trades and vocations, and administration or business programs. The participation of students attending private vocational schools in Ontario for the two years 1979-80 and 1980-81 is given in Table 27.

It can be seen from Table 27 that the participation of these students has increased by 12.89 per cent in 1980-81. The Ontario Student Assistance Program is seen by many as a vital force in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	1979-80		1980-81	
	Grants	Loans	Grants	Loans
Number of students receiving aid	2564	3188	3031	3599
Total value of aid received (in millions)	\$2.62	\$6.27	\$3.35	\$8.01

Summary and Conclusion

In its third year of operation the Ontario Study Grant Plan promoted accessibility to post-secondary education for Ontario residents by providing a total of \$81.02 million as need-based, non-repayable grants. In addition to federal loans of \$83.39 million, provincially guaranteed loans for \$21.95 were issued to students in 1980-81. Through a combination of these two interest-subsidized loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 78 991 students were issued a mix of federal and provincial loans.

Full-time students in Ontario universities and colleges who received assistance in 1980-81 constituted 29.38 per cent of the total full-time enrolment.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1980-81 close to 76.63 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group. Grant awards made during 1980-81 ranged from a minimum of \$20 to well over \$4000 for some students. The actual amount of the awards was dependent on individual circumstances.

Of the total amount of assistance provided as grants to dependent single students, 31.78 per cent was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 32.06 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. Moreover, some of these students (about 3900) who resided at their parents' homes while going to school also received supplementary allowances ranging from \$5 to \$15 per week of study in addition to the regular personal and living allowances applicable. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1980, is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families
Under \$9 000	8.6
\$ 9 000 - \$10 999	4.8
\$11 000 - \$11 999	2.0
\$12 000 - \$12 999	1.9
\$13 000 - \$13 999	1.7
\$14 000 - \$14 999	2.0
\$15 000 - \$15 999	1.4
\$16 000 - \$16 999	1.9
\$17 000 - \$17 999	2.6
\$18 000 - \$19 999	5.1
\$20 000 - \$21 999	5.3
\$22 000 - \$24 999	8.7
\$25 000 - \$29 999	15.7
\$30 000 - \$34 999	12.1
\$35 000 and over	26.2
Total	100.0
Average income	28 086
Median income	26 274

Approximately 50.0 per cent of the families in Ontario had incomes below \$26 274. This can be matched with the family income profile of the dependent single students who received assistance in 1980-81. For example, 83.92 per cent of the students who received grants in 1980-81 came from families with incomes below the median level.

Various factors affect the students' decision to enrol or continue in post-secondary study, and availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

Appendix 1: Tables

Table A: Ontario Student Assistance Program, Total Provincial Expenditure - Grants, Loan Interest and Default, Bursaries

<u>Fiscal Year</u>	<u>Ontario Study Grants</u>	<u>Ontario Student Loan Interest and Defaults</u>	<u>Ontario Special Bursaries</u>	<u>Total</u>
1980-81	85 377 688 ¹	4 036 600	477 471	89 891 759
1979-80	84 009 164 ¹	1 373 440	409 394	85 791 998
1978-79	78 989 259 ¹	424 177	427 736	79 841 172
1977-78	66 491 360	284 529	427 880	67 203 769
1976-77	54 973 977	116 093	300 137	55 390 207
1975-76	49 117 077	29 448	208 583	49 355 108
1974-75	39 445 128	22 329 ²	141 648 ³	39 609 105
1973-74	31 238 657	-	-	31 238 657
1972-73	23 115 327	-	-	23 115 327
1971-72	28 882 135	-	-	28 882 135

1. Includes loan remission

2. Part-time Student Loans Program

3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipient

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients ⁴ (Grant and Loan)
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

⁴ Enrolled in Ontario universities and colleges, and also in private vocational schools, and other post-secondary institutions

Source: Ministry of Colleges and Universities,
Management Information Systems reports; Ministry of Colleges
and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

Program Year	Total Awards Issued	Dependent Single Students - Number of Awards	Married Students - Number of Awards	Independent Single Students - Number of Awards
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Awards - Dollar Ranges

	1978-79	1979-80	1980-81
Range of Award	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)
\$ 1 - 500	12.44	13.51	6.39
501 - 1000	16.95	17.70	10.86
1001 - 1500	17.24	17.55	12.19
1501 - 2000	26.94	25.85	14.46
2001 - 2500	14.24	12.87	12.54
2501 - 3000	9.49	9.53	15.55
3001 - 3500	1.90	2.12	13.98
3501 - 4000	0.51	0.58	6.41
Over \$4000	0.29	0.29	7.62
Total	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Gr

Student Group	1980-81	1979-80	1978-79	1977-78	1976-77
A	\$1229	\$1229	\$1253	\$ 863	\$ 735
B (single)	1635	1538	1796	1097	908
B (married)	1338	1269	1234	1381	1285

Note: In 1976-77 and in 1977-78, students were required to accept \$1000 in Canada Student Loans before a grant award was issued. In 1978-79, 1979-80, and 1980-81, additional loan assistance was optional.

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Gross Income Ranges of Parents of Dependent Students Receiving Grants

		1978-79		1979-80		1980-81	
Parental Gross Income Ranges	No. of Students	As Per Cent of Total	No. of Students	As Per Cent of Total	No. of Students	As Per Cent of Total	
\$ 1 - \$8 000	7 964	19.80	8 570	18.35	8 535	17.87	
8 001 - 9 000	1 444	3.59	1 607	3.44	1 541	3.23	
9 001 - 10 000	1 551	3.85	1 705	3.65	1 583	3.34	
10 001 - 11 000	1 646	4.09	1 781	3.81	1 674	3.51	
11 001 - 12 000	1 726	4.29	1 962	4.20	1 829	3.83	
12 001 - 13 000	1 734	4.31	1 943	4.16	1 815	3.80	
13 001 - 14 000	1 892	4.70	2 024	4.33	1 962	4.11	
14 001 - 15 000	1 899	4.72	2 059	4.41	1 826	3.82	
15 001 - 16 000	1 918	4.77	2 044	4.38	1 911	4.0	
16 001 - 17 000	1 988	4.94	2 113	4.52	2 003	4.19	
17 001 - 18 000	1 963	4.88	2 134	4.57	1 831	3.83	
18 001 - 19 000	1 943	4.83	2 128	4.56	1 917	4.01	
19 001 - 20 000	1 796	4.46	2 081	4.46	1 952	4.09	
20 001 - 25 000	6 541	16.26	8 263	17.70	8 374	17.54	
25 001 - 30 000	2 950	7.33	4 023	8.61	5 193	10.87	
30 001 - 35 000	928	2.31	1 565	3.35	2 413	5.05	
35 001 - 40 000	239	0.59	477	1.02	838	1.75	
Over \$40 000	113	0.28	224	0.48	556	1.16	
Total	40 235	100.0	46 703	100.0	47 753	100.0	

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of Parents of Dependent Students Eligible for Grants

	1978-79	1979-80	1980-81
Parental Gross Asset Ranges	Per Cent of Students	Per Cent of Students	Per Cent of Students
Less than \$1	5.98	4.65	6.72
\$ 1 - 75 000	76.07	69.94	68.86
75 001 - 100 000	10.99	12.70	13.00
100 001 - 125 000	3.33	5.61	5.31
125 001 - 150 000	1.39	2.76	2.44
150 001 - 175 000	0.99	1.67	1.30
175 001 - 200 000	0.48	1.12	0.73
200 001 - 225 000	0.29	0.81	0.52
225 001 - 250 000	0.14	0.62	0.35
Over \$250 000	0.34	0.12	0.77
	100.0	100.0	100.0

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students' Summer Earnings

Contribution Ranges	Per Cent of Students		
	1978-79	1979-80	1980-81
Less than \$1	9.03	8.66	10.85
\$ 1 - 200	0.06	0.14	0.23
201 - 400	17.80	18.71	17.40
401 - 600	4.35	4.92	5.29
601 - 800	47.54	45.59	42.18
801 - 1 000	7.14	6.45	6.34
1 001 - 1 200	5.48	5.37	5.36
1 201 - 1 400	3.45	3.49	3.53
1 401 - 1 600	2.36	2.70	3.04
1 601 - 1 800	1.18	1.40	1.81
1 801 - 2 000	0.67	1.01	1.55
2 001 - 2 200	0.40	0.62	0.96
2 201 - 2 400	0.20	0.38	0.55
2 401 - 2 600	0.12	0.25	0.36
2 601 - 2 800	0.07	0.09	0.18
2 801 - 3 000	0.05	0.07	0.13
Over \$3 000	0.10	0.15	0.24
Total	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Appendix 2: Charts

Chart A: Ontario Student Assistance Program, Total Expenditure

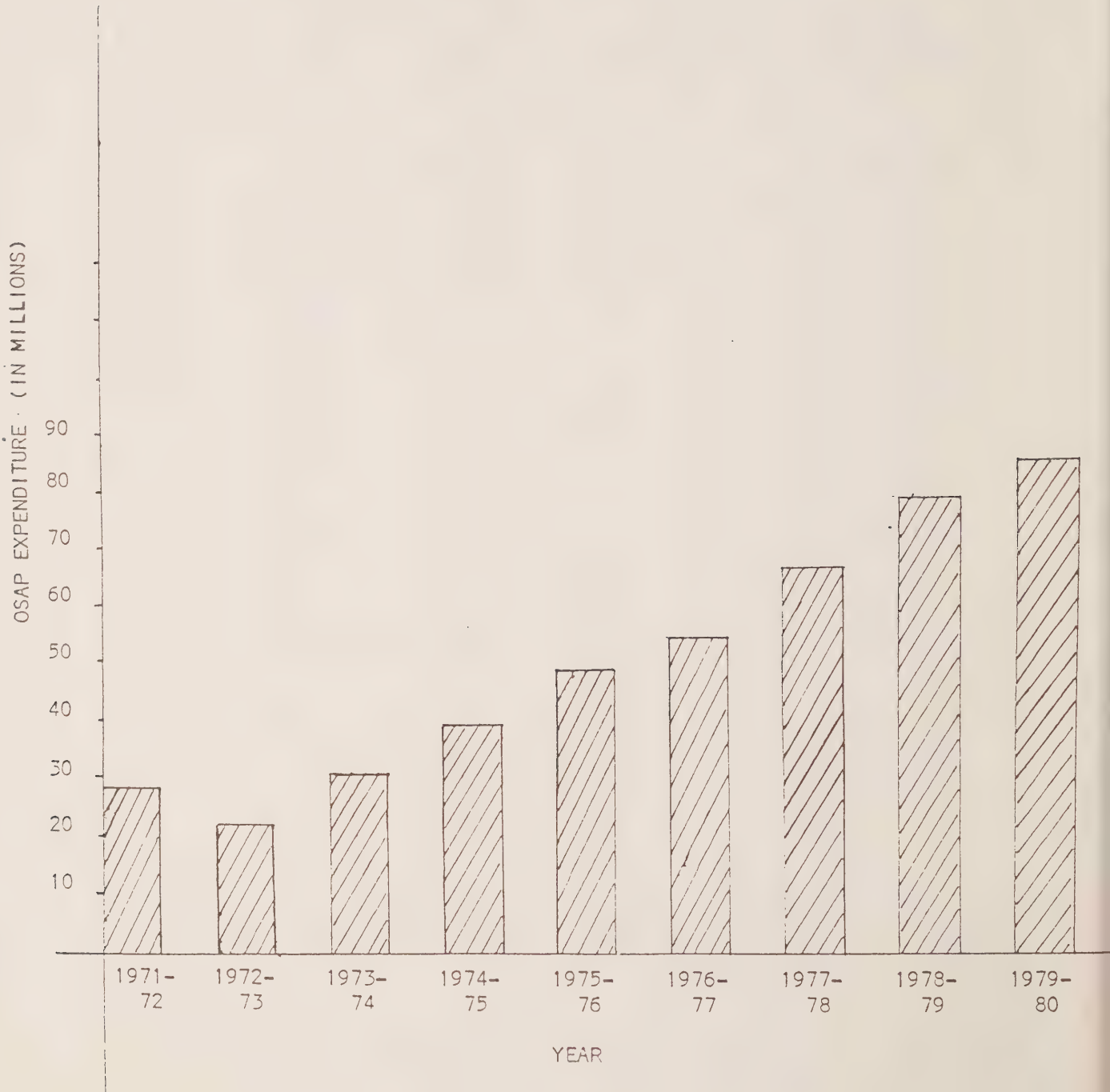
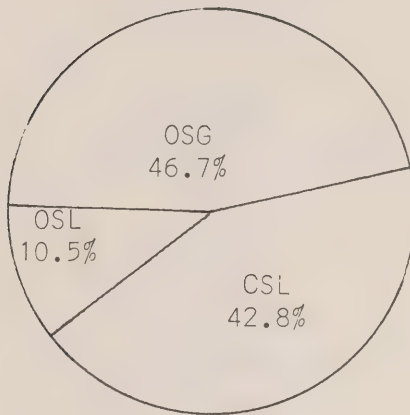
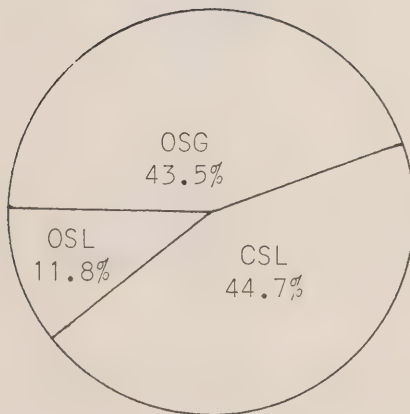


Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1979-80



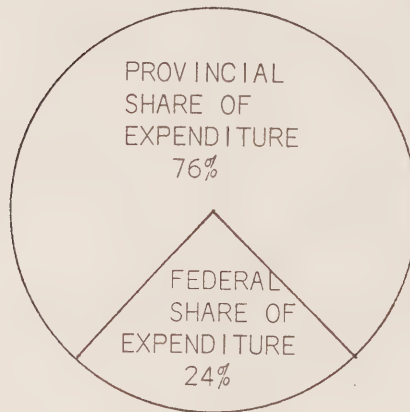
1980-81



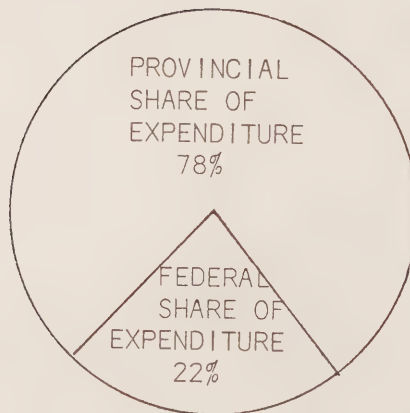
OSG: Ontario Study Grant
CSL: Canada Student Loan
OSL: Ontario Student Loan

Chart C: Ontario Student Assistance Program, Expenditure⁵ by Federal and Provincial Governments

1979-80



1980-81



⁵Expenditure includes: Grants and bursaries, interest on federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

Chart D: Ontario Student Assistance Program, Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients

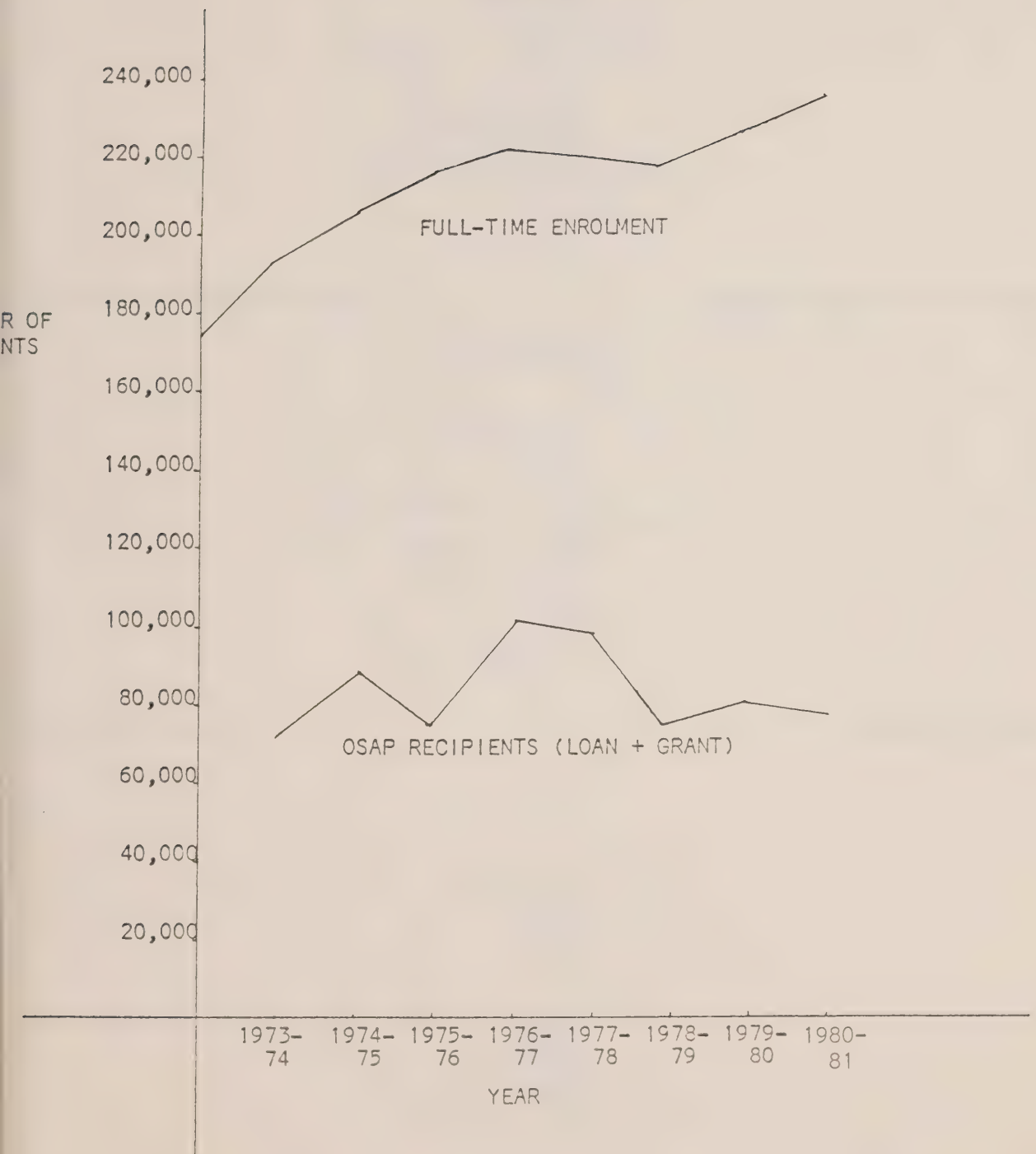
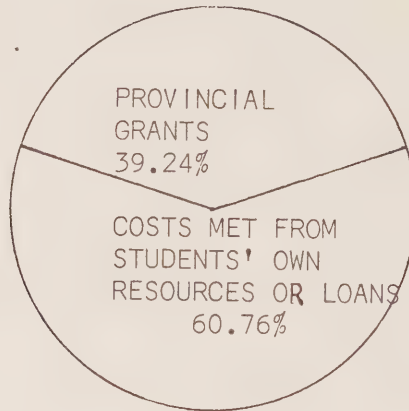
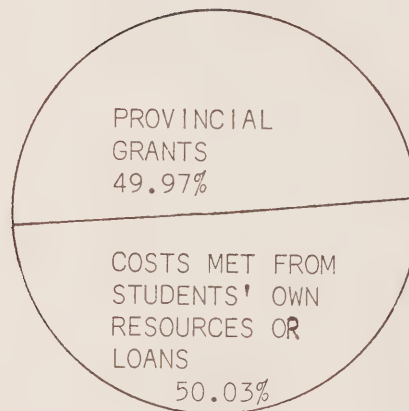


Chart E: Ontario Student Assistance Program, Costs of Students Applying for Grants

Dependent Single Students



Independent Single Students



Married Students

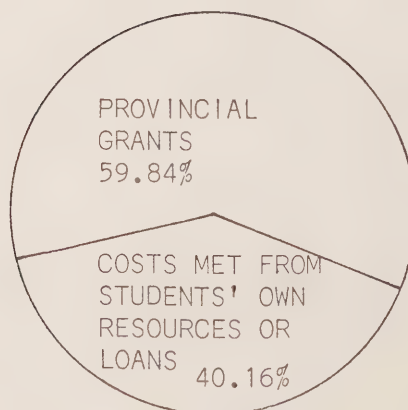
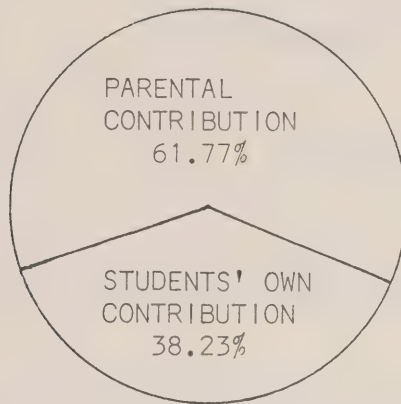
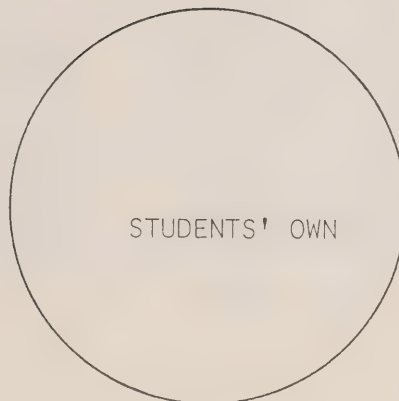


Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

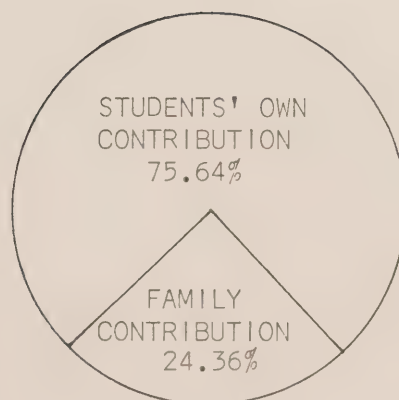


Chart G: Ontario Student Assistance Program, Grant Awards by Student Group

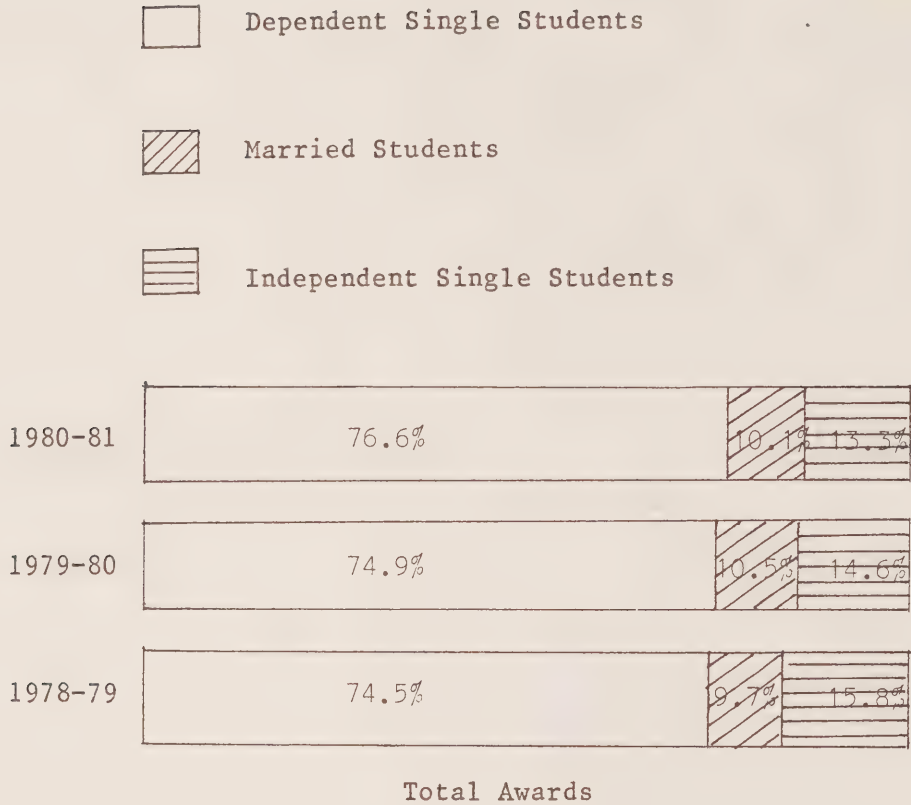


Chart H: Ontario Student Assistance Program, Grant Awards by Institution

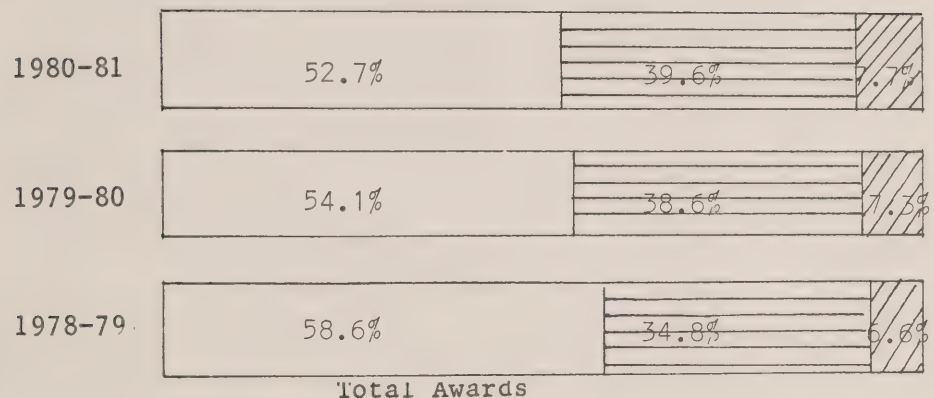
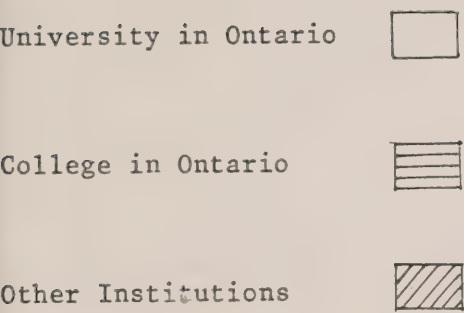


Chart I: Ontario Student Assistance Program, Parental Gross Income of
Dependent Single Students Receiving Grants

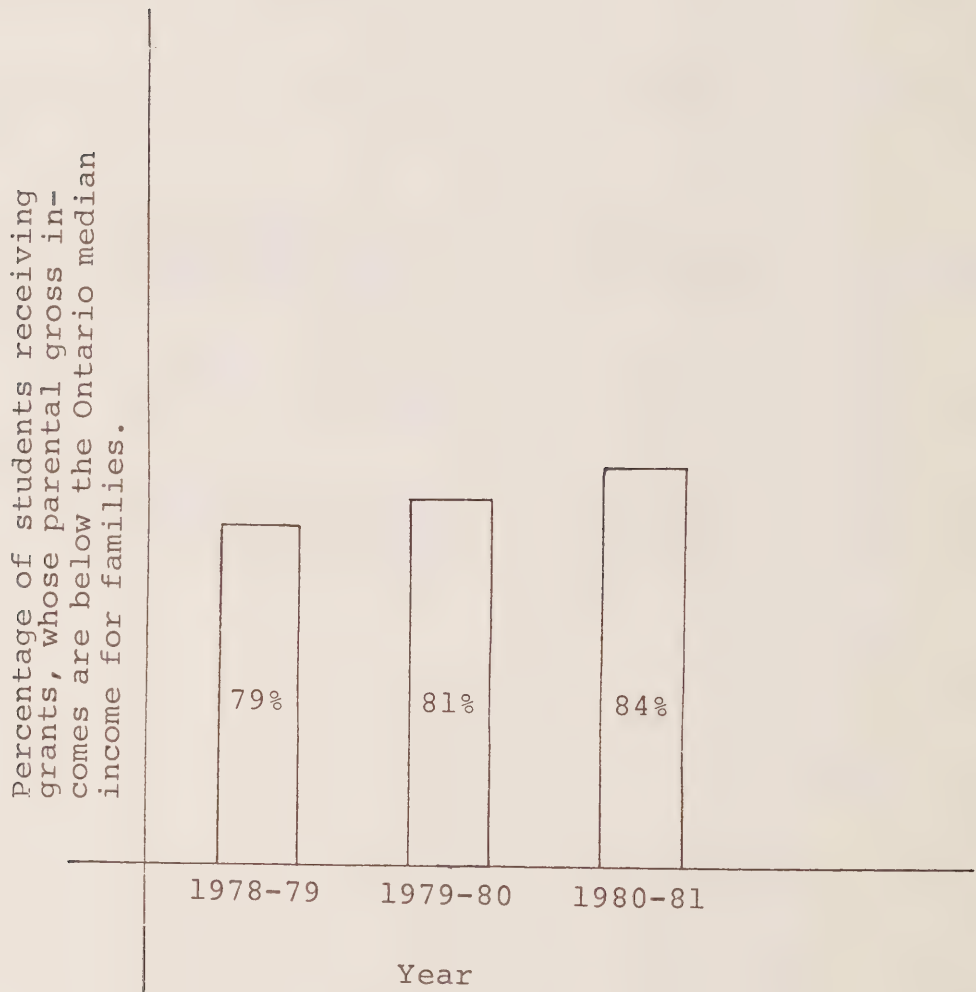
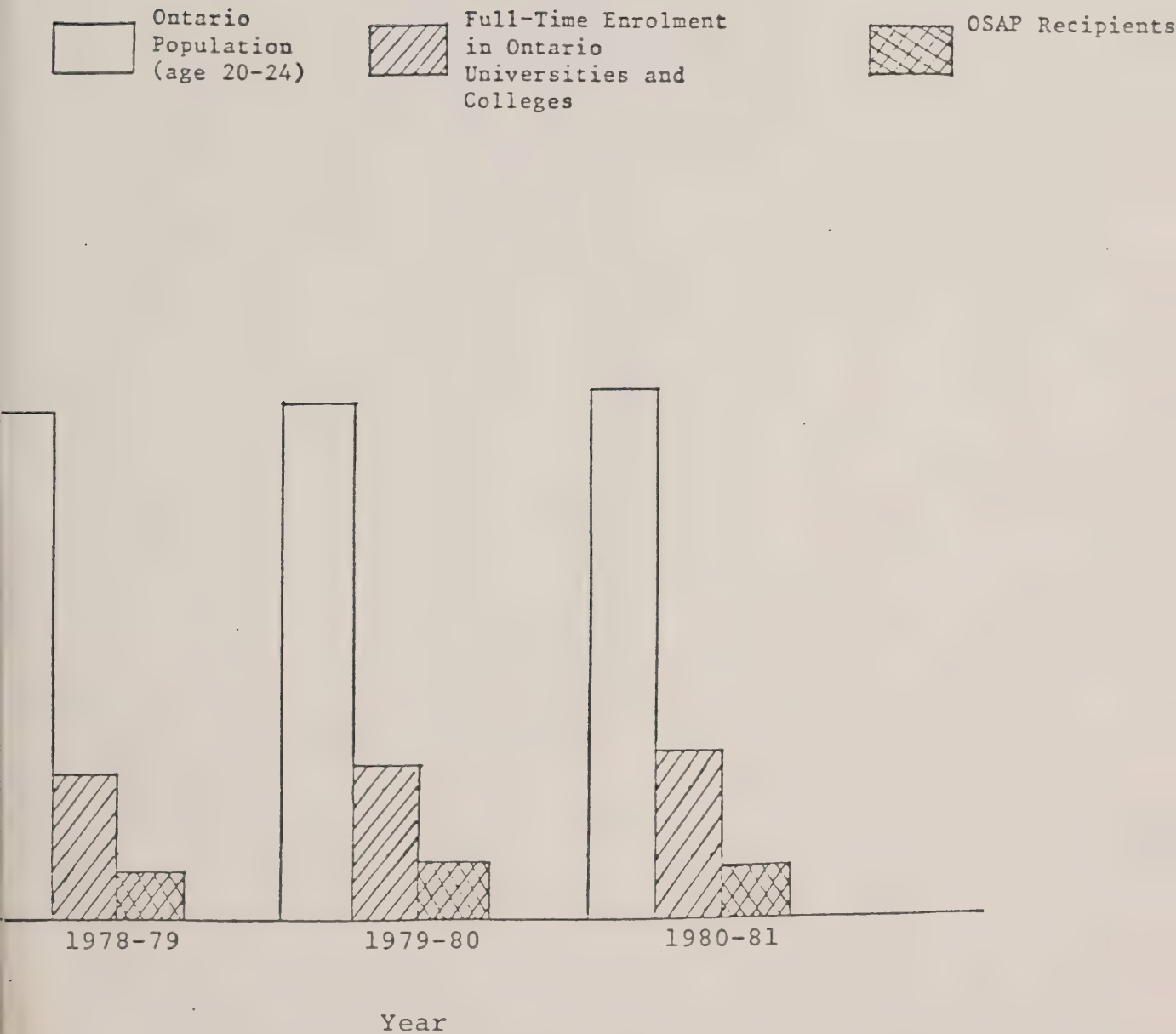


Chart J: Ontario Student Assistance Program, Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges and OSAP Recipients





Ministry of
Colleges and
Universities

Hon. Bette Stephenson, M.D., Minister
Harry K. Fisher, Deputy Minister

1981-1982
Session

CA20N
DG 120
- R25

Report of the Ontario Student Assistance Program - 1981/82

OSAP

Report of the Ontario
Student Assistance Program

1981-82

This report provides an analysis and review of the Ontario Student Assistance Program for the academic year 1981-82. It is the fourth annual report on the program since the introduction of the Ontario Study Grant Plan.

The data for the report were extracted from the Ministry's computer files, where information provided on the students' application forms for assistance is stored. Additional information relating to the report may be obtained from the Ministry, if it is readily available.

This report was compiled by the Student Awards Branch of the Ministry of Colleges and Universities. Requests for further information should be directed to S. (Raj) Rajagopal at 965-7191.

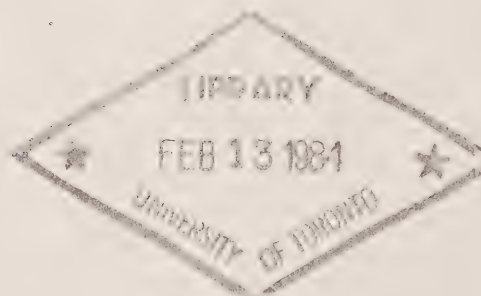


TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Summary	2
The Aid Recipients	4
Amount of Assistance Received	6
How the Students' Educational Costs Were Met	8
Family Profile of Students Receiving Assistance	9
Study Level/Course Profile	10
Federal Assistance Provided to Students Under the Canada Student Loans Program	12
Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans	13
How the Ontario Special Bursary Plan Meets the Financial Needs of Students Facing Special Circumstances	15
Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received	17
Role the Appeal Board Plays in the Program	17
The Ministry Verification of Information	17
Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools	18
Summary and Conclusion	19

TABLE OF CONTENTS (Cont'd).

	<u>Page</u>
 Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries	21
B. Full-Time Enrolment and OSAP Recipients	22
C. Grant Awards by Student Group	23
D. Awards - Dollar Ranges	24
E. Average Grant Awards by Student Group	25
F. Gross Income Ranges of Parents of Dependent Students Receiving Grants	26
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	27
H. Contribution From Students' Summer Earnings	28
 Appendix 2: Charts	
A. Total Expenditure	29
B. Breakdown of Total Assistance	30
C. Expenditure by Federal and Provincial Governments	31
D. Full-Time Enrolment in Ontario Universities and Colleges and OSAP Recipients	32
E. Costs of Students Applying for Grants	33
F. Resources of Students in Grant Assessment	34
G. Grant Awards by Student Group	35
H. Grant Awards by Institution Type	36
I. Parental Gross Income of Dependent Single Students Receiving Grants	37
J. Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges and OSAP Recipients	38

Introduction

Provincial assistance for post-secondary students in Ontario dates back to the early 1920s, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario, provincial grants were introduced in 1966 to supplement the federal loans. In 1978 the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and the assessment of financial need.

The main objectives of the Ontario Student Assistance Program are as follows:

- to encourage and assist academically qualified and financially needy Ontario residents to participate in post-secondary education;
- to ensure equal opportunity for, and increased participation of, students from low income families and disadvantaged groups; and
- to provide various forms of financial assistance to meet the diverse needs of students in different programs and circumstances.

In order to meet these objectives, assistance is provided in the form of non-repayable grants (for the first four years of post-secondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the four plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake post-secondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1981-82. It analyses the assistance provided under the program (to whom aid was given, in what form, etc.). It also reviews the program's operation in terms of its individual components and verification, and takes a critical look at the extent to which the program has met its objectives.

Wherever possible, comparative data are provided for earlier years. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year the operation of the program differed significantly from its present form in that a student was required to negotiate the first \$1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province. Comparisons from year to year will become more useful as the Ontario Study Grant Plan evolves.

In 1981-82 a student was classified as Group B (independent) for grant assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had been out of secondary school for four full years. A student who did not meet the above criteria was classified as Group A (dependent).

Detailed tables on the various distributions of these awards are provided as appendix to this report.

Summary

During the academic year 1981-82¹, a total of 81 180 students received aid in the form of loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$207.03 million²; \$77.47 million of this was in the form of grants, and \$129.56 million in the form of loans.

The highlights of the program's performance in 1981-82 are as follows:

- Of all students in full-time enrolment in Ontario colleges and universities, 28.26 per cent received assistance under the Ontario Student Assistance Program. Of these, 22.72 per cent received a mix of grants and loans, and 5.54 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario colleges and universities increased by 1.11 per cent over that of the previous year. Grant awards increased by 0.38 per cent and loan awards by 2.77 per cent from 1980-81.
- Average grants for the three main categories of students changed slightly: there was a 8.46 per cent decrease for dependent single students, a 8.99 per cent increase for independent single students, and a 3.66 per cent decrease for married students.
- The increase in the number of grant awards was mainly for students enrolled in the colleges of applied arts and technology (2.65 per cent) and private vocational schools (8.81 per cent); university students eligible for grants registered a decrease of 2.37 per cent.
- The number of dependent single students receiving grants decreased by 0.87 per cent. The number of married students receiving grants recorded an increase of 6.37 per cent. The increase in the number of independent single students receiving grants was 3.03 per cent.
- The number of Canadian citizens receiving grants increased by 0.06 per cent. The number of permanent residents (landed immigrants) recorded an increase of 5.12 per cent.
- Of the total grant awards, 54.54 per cent were made to female students.

¹The academic year covers the period from July of one year to August of the following year (from September to the following April for most students) and overlaps two government fiscal years, which run from April of each year to the following March.

²Assistance consists of loans and grants and does not include the expenditure made on interest payments and defaults on loans.

- Of the students enrolled in Ontario universities, 32 046 received assistance in the form of grants or a mix of grants and loans. The breakdown of this enrolment was as follows: 30 100 in undergraduate programs; 158 in graduate programs; and 1788 in diploma, certificate, and other non-degree programs.
- Of the students enrolled in Ontario colleges, 25 323 received grants and/or loans. These students were enrolled in the following programs: 21 414 in diploma programs, 3186 in certificate programs, and 723 in other programs.
- A large number of the awards (37.13 per cent) fell in the \$1001 - \$2500 range. The distribution of awards showed an increase in the over \$3000 range (7.93 per cent). There was a decrease (2.48 per cent) in the number of awards under \$1001.
- The parental-income profile of dependent single students receiving grants showed a slight variation from 1980-81. Parental incomes of grant recipients showed a small upward shift in the over \$25 000 income ranges. Of the dependent single students receiving grants, 39.85 per cent showed a parental gross income of under \$15 001, 50.34 per cent had parental gross incomes below \$18 001 and 57.72 per cent had parental gross incomes less than \$20 001. Tables on these distributions are provided in Appendix 1.
- The family size of dependent single students receiving grants maintained more or less the same pattern as in the previous year. The figures given in Table 1 are self-explanatory.

Table 1: Family Size of Dependent Single Students Receiving Grants

<u>Number of Children</u>	<u>Per Cent of Students</u>
1 child	28.52
2 children	29.98
3 children	23.40
4 children	11.76
Over 4 children	6.34
Total	100.0

- Students who were eligible to apply only for loans came mainly from three groups: independent single students (74.90 per cent), dependent single students attending schools away from their parental homes (9.33 per cent) and independent married students (9.65 per cent). Of the independent single students, 31.87 per cent had loans in the range of \$1 - 2000, 23.95 per cent had loans in the range of \$2001 - \$3000, and 44.18 per cent had loans in the range of \$3001 and over.

The Aid Recipients

For the academic year 1981-82, a total of 62 557 grant awards were issued for a dollar value of \$77.47 million. In addition, 81 180 loans were issued for an amount of \$129.56 million, consisting of \$101.91 million in federal loans and \$27.65 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 2 shows.

Table 2: Student Awards by Type

	Number of Awards		Dollar Value (in millions)	
Grants	62 557	(43.52%)	\$77.47	(37.42%)
Loans	81 180	(56.48%)	\$129.56	(62.58%)
Total	143 737	(100.0%)	\$207.03	(100.0%)

Of the 81 180 loan awards, 18 623 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their post-secondary study before applying for assistance in 1981-82.

Of the total grant awards issued in 1981-82, 32 046 were made to students attending universities in Ontario, and 25 323 to students enrolled in Ontario colleges of applied arts and technology. Out of the total of 81 180 loans, 44 301 were issued to university students in Ontario, and 27 254 to college students. Table 3 presents a breakdown of this assistance.

Table 3: Student Awards by Type of Institution Attended

Institution Attended	Grants		Loans	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	32 046 (51.23%)	\$41.35 (53.37%)	44 301 (54.57%)	\$75.96 (58.63%)
College in Ontario	25 323 (40.48%)	\$30.45 (39.31%)	27 254 (33.57%)	\$33.79 (26.08%)
Other Institutions	5 188 (8.29%)	\$ 5.67 (7.32%)	9 625 (11.86%)	\$19.81 (15.29%)
Total	62 557	\$77.47	81 180	\$129.56

The following Table summarizes the breakdown of the loans and grants by the type of student.

Table 4: Number (Per Cent) of Student Awards by Type of Student

	Grants	Loans
Dependent single students	47 338 (75.67%)	49 567 (61.06%)
Independent single students	8 524 (13.63%)	22 472 (27.68%)
Married students*	6 695 (10.70%)	9 141 (11.26%)
Total	62 557	81 180

*Included in the married students are 3358 single parents who received grant and loan assistance and 649 single parents who were awarded loans only.

Of the grant awards 58 450 (93.43 per cent) were made to Canadian citizens, and the remainder (4107) to permanent residents (landed immigrants). With respect to loan awards, 75 679 (93.22 per cent) were issued to Canadian citizens, and 5501 to permanent residents.

During the academic year 1981-82, the number of female students receiving assistance has remained fairly consistent with previous years, as shown in Table 5.

Table 5: Students Receiving Assistance, Broken Down by Sex

	Grants		Loans	
	1980-81	1981-82	1980-81	1981-82
Male students	29 320 (47.05%)	28 441 (45.46%)	38 876 (49.22%)	38 610 (47.56%)
Female students	33 000 (52.95%)	34 116 (54.54%)	40 115 (50.78%)	42 570 (52.44%)
Total	62 320	62 557	78 991	81 180

There was a slight increase in the total number of grant awards issued in 1981-82 (0.38 per cent). The increase in loan awards for the same period was higher (2.77 per cent).

Amount of Assistance Received

Of the total amount of grants, 69.08 per cent was received by the single students whose parental resources were taken into consideration; independent single students and married students received 19.72 per cent and 11.20 per cent respectively of the total grants. Table 6 shows the average grant assistance for the three groups of students.

Table 6: Average Grant Assistance by Type of Student

	1980-81	1981-82
Dependent single students	\$1229	\$1125
Independent single students	\$1635	\$1782
Married students	\$1338	\$1289

The average grant assistance to dependent single students shown in Table 6 is a composite amount for students who stayed with their parents while at school and for those who did not. Of the dependent single students, 68.98 per cent lived away from home during 1981-82. Approximately the same percentage of students lived away from home in 1980-81 as well.

The award profile of students according to the type of school they attended is shown in Table 7.

Table 7: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant	
	1980-81	1981-82
University in Ontario	\$1335	\$1290
College in Ontario	\$1276	\$1203
Other institutions	\$1182	\$1093

Average awards for students at Ontario's post-secondary institutions have recorded a slight decrease in 1981-82. This could be due to increases in the incomes of students and their families or the low ceilings on grants for independent single students, and generally for all students attending private vocational schools.

The figures for loans issued in 1981-82, shown in Tables 8 and 9, reflect a picture slightly different from that for grants. The following are two possible reasons for the increases in average loans: (a) the cost/resource levels for loan assessments are less stringent than those for grant assessments and hence the financial need under loan assessments is higher; (b) students who appeal for increased assistance because of special circumstances get additional support funds in the form of loans.

Table 8: Average Loan Assistance by Type of Student

	1980-81	1981-82
Dependent single students	\$ 798	\$1059
Independent single students	\$2214	\$2340
Married students	\$2196	\$2575

Table 9: Average Loan Assistance by Type of Institution

Institution Attended	Average Loan	
	1980-81	1981-82
University in Ontario	\$1449	\$1714
College in Ontario	\$ 970	\$1240
Other institutions	\$1849	\$2058

Table 10 shows the distribution of awards for the two academic years 1980-81 and 1981-82:

Table 10: Distribution of Awards by Value

Value of Awards	Percentage of Recipients	
	1980-81	1981-82
Less than \$1001	17.25	14.77
\$1001 - \$1500	12.19	10.71
\$1501 - \$2000	14.46	13.91
\$2001 - \$2500	12.54	12.51
\$2501 - \$3000	15.55	12.16
Over \$3000	28.01	35.94
Total	100.0	100.0

The size of the grant awards assessed during 1981-82 varied according to the individual circumstances of students applying for assistance. While costs generally increased, variations in resources affected the change in the pattern of awards from 1980-81 to 1981-82. The grant awards ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Of the awards, 37.13 per cent were in the range of \$1001 to \$2500. Awards in excess of \$2500 accounted for 48.10 per cent of the total. The profile of awards shows an increase in the number of awards in the \$3501 - \$4000 range and a very significant increase of awards in excess of \$4000. This would indicate that funding is reaching its intended clientele, that is, students from low income families whose needs are significantly high. Another contributing factor is the number of married students whose family income did not rise to the same extent as their educational costs and who, therefore, received increased awards.

How the Students' Educational Costs Were Met

The total costs of students attending post-secondary schools are made up of tuition fees, ancillary fees, and book, equipment, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the student's own resources to the extent needed to meet these costs. During 1981-82 student costs in the grant assessments consisted of 21.01 per cent for tuition fees, 60.30 per cent for food and accommodation, 10.30 per cent for books and equipment, and the balance (8.39 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 11. They reflect the general increase in costs for all students. The average student costs by type of institution attended are given in Table 12.

Table 11: Average Student Costs by Type of Student

	1980-81	1981-82
Dependent single students	\$3132	\$3375
Independent single students	\$3272	\$3529
Married students	\$2236	\$2257

Table 12: Average Student Costs by Type of Institution Attended

	1980-81	1981-82
University in Ontario	\$3319	\$3586
College in Ontario	\$2784	\$2926
Other institutions	\$2589	\$3068

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school). For students attending Ontario universities, the average tuition fee increase was \$106. Similar increases for students enrolled in Ontario colleges of applied arts and technology averaged approximately \$37.

Approximately 62 per cent of the total educational costs of all students eligible for grants in 1981-82 was met out of the resources of the students and/or their families. The remaining 38 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the average percentage of total costs met by non-repayable grants is as follows: for dependent single students - 33.32 per cent, for independent single students - 50.50 per cent and for married students - 57.11 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the students' own contribution (34.91 per cent) and a parental contribution (65.09 per cent). Parental contribution accounted for about 68.27 per cent of the total resources for students living away from home, but only 53.20 per cent for students living with parents while at school. These parents provided further assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 58.50 per cent of the dependent single students who received grant assistance in 1981-82 were from families with one or two children. The distribution of families by number of children is given in Table 1, Page 3.

The slight increase in 1981-82 in the number of families with one child is compensated by a corresponding decrease in the number of families with five or more children. Apart from these, the distribution of families of dependent single students shows no change from the previous year.

The parental gross income of students who received grants in 1981-82 ranged from under \$8000 to just over \$40 000. A small percentage of dependent students were from families with a parental gross income of \$30 000 and over. These are families with a large number of children or with more than one child at the post-secondary level of study. These factors would increase the deductions allowable against gross incomes and thereby make the students eligible for grant assistance.

Table 13: Parental Gross Incomes of Students Receiving Grants

Parental Gross Income Ranges	Percentage of Students Assessed for Grants	
	1980-81	1981-82
Less than \$10 001	24.44	22.87
\$10 001 - \$15 000	19.07	16.98
\$15 001 - \$20 000	20.12	17.87
\$20 001 - \$25 000	17.54	17.36
\$25 001 - \$30 000	10.87	12.16
Over \$30 000	7.96	12.76
Total	100.0	100.0

As Table 13 indicates, the parental gross income distributions show a very small change in 1981-82 compared to the previous year. The number of students whose parents have gross incomes in the ranges over \$25 000 increased by 6.09 per cent. This increase was paralleled by small decreases in the gross income ranges below \$25 000. This is a reflection of an increase of 8.50 per cent in the median income of families in Ontario in 1981.

Statistics Canada's preliminary estimate of the median income for families in Ontario for 1981 was \$29 192 - up from \$26 906 in 1980. Approximately 85 per cent of dependent single students who received grant assistance in 1981-82 came from families with incomes below the 1981 median level.

The majority of married students who received grants in 1981-82 (65.24%) had a family gross income below \$10 001. Close to 34.64 per cent of married students had incomes below \$5001. Those with family incomes above \$10 000 accounted for 34.76 per cent of the total number of married students.

Study Level/Course Profile

The students who were assisted with grants in 1981-82 were, for the most part, enrolled in post-secondary courses of twenty-six to thirty-eight weeks' duration. In addition, there was a significant group of students taking courses of ten to nineteen weeks in length (8.45 per cent), and a slightly larger number of students taking courses of more than thirty-eight weeks' duration (11.38 per cent). The grant recipients in 1981-82, broken down by institution type and course length, are given in Table 14.

Table 14: Grant Recipients (Per Cent) by Type of Institution and Length of Course

Course Length	Per Cent In Ontario Universities	Per Cent In Ontario Colleges	Per Cent In Other Institutions
Less than 19 weeks	6.89	11.95	15.30
20 - 25 weeks	0.90	2.24	1.04
26 - 32 weeks	14.91	15.90	33.99
33 - 38 weeks	70.38	56.85	18.89
Over 38 weeks	6.92	13.06	30.78
Total	100.0	100.0	100.0

The general shift in the course length distributions has been from the "26 - 32 weeks" to "Over 38 weeks" categories. This shift represents a very slight increase in the program lengths of courses offered at the various Ontario post-secondary institutions. In part, it could possibly be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner, or due to their being encouraged to continue studies in summer by schools in order to make effective use of the facilities available.

Universities in Ontario Because of the restriction on grants to the first four years of post-secondary study, most of the grant recipients in 1981-82 were enrolled in undergraduate programs. About 5.76 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (67.29 per cent) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1981-82 is given in Table 15.

Table 15: Distribution of University Students Receiving Grants by Type of Program

Faculty	Percentage of Students
Arts and Sciences	67.29
Engineering and Technology	9.79
Administration/Business	9.47
Health Sciences	5.43
Education and Social Work	4.09
Other	3.93
Total	100.0

Of the students who received only loans, 14.57 per cent were enrolled in graduate programs, and the remaining applicants (85.43 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (programs in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 16 shows the distribution of students receiving only loans in 1981-82.

Table 16: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Others (cert., diplomas, etc.)
Arts and Sciences	38.70	43.51	44.50
Law	13.29	0.45	1.12
Medicine	11.59	0.78	3.99
Education and Social Work	11.37	12.09	18.66
Engineering and Technology	9.86	2.18	12.12
Business	6.05	28.56	10.85
Other	9.14	12.43	8.76
Total	100.0	100.0	100.0

Colleges in Ontario The programs in which grant recipients from Ontario colleges of applied arts and technology were enrolled in 1981-82 are given in Table 17.

Table 17: Distribution of College Students Receiving Grants by Type of Program

Faculty	Percentage of students
Administration/Business	28.49
Arts and Sciences	22.54
Engineering and Technology	20.88
Health Sciences	14.74
Education and Social Work	7.65
Trades and Vocations	5.06
Other	0.64
Total	100.0

Table 17A shows the distribution of college students receiving only loans in 1981-82.

Table 17A: Distribution of College Students Receiving only Loans, by Type of Program

Faculty	Percentage of Students		
	Diploma	Certificate	Others
Engineering and Technology	27.27	18.57	-
Health Sciences	22.94	18.57	-
Administration/Business	22.35	28.10	17.65
Arts and Sciences	21.04	16.19	17.65
Education and Social Work	3.79	1.90	8.82
Other	2.61	16.67	55.88
Total	100.0	100.0	100.0

Federal Assistance Provided to Students Under the Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the four aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years' post-secondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past five years is shown in Table 18.

The increase over previous years in the total Canada Student Loans assessed in 1981-82 is the result mainly of an increase in the costs faced by students, especially in tuition fees and food and accommodation costs and the generous tables for contribution from parental income. Moreover, students who have already had the equivalent of four years of post-secondary education can apply only for loans since they are not eligible for grants.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Assisted	Amount of Assistance (in millions)
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39
1981-82	81 180	\$101.91

The levels of costs and allowances under the Canada Student Loans Program are generally more generous than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans as required to meet their additional expenses.

Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans

Under the Ontario Student Loans Plan provincially guaranteed loans are made available to students enrolled in post-secondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their course was less than twenty-six weeks, their program of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student is entitled in a two-term academic year (thirty-two weeks) has remained since 1974 at \$1800 in spite of annual increases in student costs. As a result, many students eligible for only loans are left with a part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans now top off the federal loans, and students whose need exceed the federal loan maximum can obtain the additional funds through provincially guaranteed loans. As a consequence, the volume of Ontario Student Loans issued in the academic year increased to about \$27.65 million in 1981-82. Table 19 illustrates the growth in the provincially guaranteed loans.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95
1981-82	\$27.65

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the high rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks for guaranteed loans. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Claims

Year	Interest on Loans	Claims Paid Under Guarantee	
		Number	Amount
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76
1981-82	\$4 760 888.64	1493	\$2 425 334.36

Under the Ontario Student Assistance Program, 74 402 provincial loans have been negotiated since their inception and only 4.33 per cent of these loans have been claimed by banks. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a claim rate of 8.03 per cent.

The above amounts represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once these amounts are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrower. Quite a number of the defaulted loans are recovered from the students usually with a commitment to provide repayment over a future period of time. In these cases interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts of such collections were \$6010 in 1978-79, \$31 900 in 1979-80, \$119 200 in 1980-81 and \$280 900 in 1981-82.

The value of loans claimed since the inception of the Ontario Student Loans Plan is slightly over \$4.5 million. These claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

Table 21: Student Loan Claims by Amount

Claim Ranges	Per Cent of Loan Accounts
\$ 1 - \$ 500	15.08
\$ 501 - \$1000	23.89
\$1001 - \$1500	14.60
\$1501 - \$2000	19.82
\$2001 - \$2500	13.42
\$2501 - \$3000	4.44
\$3001 - \$3500	2.36
\$3501 - \$4000	2.53
\$4001 and over	3.86
Total	100.0

Table 22: Student Loan Claims - Reasons

Reason for Claim	Per Cent of Claims
Death	1.14
Illness	1.94
Bankruptcy	3.65
Unemployment	13.45
Unwillingness/Non-cooperation	39.08
Inability to locate/trace/contact borrower	30.38
Other miscellaneous reasons	10.36
Total	100.0

How the Ontario Special Bursary Plan Meets the Financial Needs of Students Facing Special Circumstances

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was formally introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past six years this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1977-78 to 1981-82 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1977-78	1978-79	1979-80	1980-81	1981-82
Number of students assisted	1256	1182	1211	1175	1770
Total assistance provided	\$427 880	\$427 737	\$409 394	\$477 471	\$490 111
Average bursary award	\$ 341	\$ 362	\$ 338	\$ 406	\$ 277
Maximum bursary	\$ 1000	\$ 1200	\$ 1200	\$ 1200	\$ 1200

The Ontario Special Bursary Plan was originally intended only for part-time students (that is, students carrying a 60 per cent course load or less). However, because of its suitability for students in skills-upgrading programs, students in such programs with a course load of over 60 per cent are also permitted to apply for this program.

Of the total number of students who received bursary assistance in 1981-82, 14 per cent were males and the remaining 86 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

<u>Status</u>	<u>Per Cent of Students</u>
Single students	21.10
Single parents	67.48
Other married students	11.42
<u>Total</u>	<u>100.0</u>

Of all the bursary recipients, 80.03 per cent had no employment to report during the period of study. The remaining 19.97 per cent of bursary students had some kind of employment - 7.57 per cent were employed full-time, and 12.40 per cent reported part-time employment.

A large number of the bursary recipients in 1981-82 (83.74 per cent) were receiving support of some kind from a government or quasi-government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

<u>Nature of Support Funds</u>	<u>Per Cent of Students</u>
Family Benefits allowances	50.53
Unemployment insurance benefits	7.71
General Welfare allowances	19.34
Penitentiary allowances	1.54
Rehabilitation benefits	0.28
Other pension benefits	4.34
<u>Subtotal</u>	<u>83.74</u>
<u>Those receiving no support</u>	<u>16.26</u>
<u>Total</u>	<u>100.0</u>

A large majority of the bursary recipients did not have any prior post-secondary education. Of the total bursary recipients 20.25 per cent had some post-secondary education. Another 9.95 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous post-secondary education, 66.4 per cent were single parents.

Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received

The policy on assets was introduced to discourage applications from students who had sufficient personal or family assets to meet their education costs. Through this policy a contribution is expected according to the level of student or family assets for determining the student's financial need. Because of this, available funds could be directed to those students who needed assistance most. In 1981-82, 3619 students receiving grants had an expected contribution from parental assets, the average contribution being \$1066 per student. The average contribution from the 483 married students with assets was \$886 per student. There were 2388 students receiving grants who made a contribution from their own assets, the average amount being \$518 per student.

Role the Appeal Board Plays in the Program

Students with unique circumstances that are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an appeal board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators. During the 1981-82 academic year, 1471 appeals were handled by the appeal board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spouse's refusal or inability to contribute. These appeals in 1981-82 resulted in the awarding of \$1 026 570 in additional grants and \$1 626 909 in additional loans to students. As an independent external body, the appeal board ensures equity in individual cases and provides additional support funds when needed.

The Ministry Verification of Information

The main purpose of the Ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process data submitted by applicants are validated, and individual cases, which are either selected at the Ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed review by the Verification staff at the Ministry. Files maintained at the awards offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms, which allow the Ministry to confirm the income data shown on the applications with Revenue Canada. In administering this system for income verification, the Ministry fully preserves the confidentiality of the information provided.

In 1981-82, 5925 selected files were examined for accuracy of assessments as part of the general audit of student data. The results of this examination showed a net grant overpayment of \$1 225 170. A total of 2956 cases were involved in this overpayment. The high number of overpayments among those selected is attributable to the process of selection for audit which identifies cases of potential error.

One hundred and five cases were investigated for suspected fraud or misrepresentation. Following investigation, fifteen cases were referred to the federal authorities for prosecution under the Canada Student Loans Act. These are under investigation by the RCMP. Four cases were referred to the Ontario Provincial Police. At year end there were four cases with outstanding charges following police investigation.

Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1981-82, twenty-five private vocational schools qualified for participation in the grant plan.

During the year 1981-82, 3298 students enrolled in private vocational schools received grant assistance totalling \$3.46 million. The number of students who received grants in 1981-82 represents an increase of 8.81 per cent over that in the previous year. The average amount of grant assistance provided to these students in 1981-82 was \$1048.

Private vocational school students who received grant assistance in 1981-82 were enrolled mainly in engineering and technology, trades and vocations, and administration or business programs. The participation of students attending private vocational schools in Ontario for the two years 1980-81 and 1981-82 is given in Table 26.

It can be seen from Table 26 that the participation of these students has increased by 18.67 per cent in 1981-82. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 26: Assistance Provided to Private Vocational Students

	1980-81		1981-82	
	Grants	Loans	Grants	Loans
Number of students receiving aid	3031	3599	3298	4271
Total value of aid received (in millions)	\$3.35	\$8.01	\$3.46	\$10.93

Summary and Conclusion

In its fourth year of operation the Ontario Study Grant Plan promoted accessibility to post-secondary education for Ontario residents by providing a total of \$77.47 million as need-based, non-repayable grants. In addition to federal loans of \$101.91 million, provincially guaranteed loans for \$27.65 million were issued to students in 1981-82. Through a combination of these two interest-subsidized loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 81 180 students were issued a mix of federal and provincial loans.

Full-time students in Ontario universities and colleges who received assistance in 1981-82 constituted 28.26 per cent of the total full-time enrolment.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1981-82 close to 75.67 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group. Grant awards made during 1981-82 ranged from a minimum of \$20 to well over \$4000 for some students. The actual amount of the awards was dependent on individual circumstances.

Of the total amount of assistance provided as grants to dependent single students, 29.30 per cent was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 28.41 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. Moreover, some of these students (about 3470) who resided at their parents' homes while going to school also received supplementary allowances ranging from \$5 to \$15 per week of study in addition to the regular personal and living allowances applicable. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1981, is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families
Under \$10 000	8.0
\$10 000 - \$11 999	4.0
\$12 000 - \$12 999	1.7
\$13 000 - \$13 999	1.8
\$14 000 - \$14 999	1.6
\$15 000 - \$15 999	1.9
\$16 000 - \$16 999	1.8
\$17 000 - \$17 999	2.3
\$18 000 - \$19 999	3.6
\$20 000 - \$21 999	4.9
\$22 000 - \$24 999	6.9
\$25 000 - \$29 999	14.0
\$30 000 - \$34 999	12.1
\$35 000 - \$39 999	10.3
\$40 000 and over	25.1
Total	100.0
Average income	31 601
Median income	29 192

Approximately 50.0 per cent of the families in Ontario had incomes below \$29 192. This can be matched with the family income profile of the dependent single students who received assistance in 1981-82. For example, 85.27 per cent of the students who received grants in 1981-82 came from families with incomes below the median level.

Various factors affect the students' decision to enrol or continue in post-secondary study, and availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

Appendix 1: Tables

Table A: Ontario Student Assistance Program, Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Total
1981-82	78 747 421	7 186 223	490 111	86 423 755
1980-81	85 377 688 ¹	4 036 600	477 471	89 891 759
1979-80	84 009 164 ¹	1 373 440	409 394	85 791 998
1978-79	78 989 259 ¹	424 177	427 736	79 841 172
1977-78	66 491 360	284 529	427 880	67 203 769
1976-77	54 973 977	116 093	300 137	55 390 207
1975-76	49 117 077	29 448	208 583	49 355 108
1974-75	39 445 128	22 329 ²	141 648 ³	39 609 105
1973-74	31 238 657	-	-	31 238 657
1972-73	23 115 327	-	-	23 115 327
1971-72	28 882 135	-	-	28 882 135

1. Includes loan remission

2. Part-time Student Loans Program

3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipients

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients ³ (Grant and Loan)
1981-82	247 533	81 180
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

³ Enrolled in Ontario universities and colleges, and also in private vocational schools, and other post-secondary institutions

Source: Ministry of Colleges and Universities,
Management Information Systems reports; Ministry of Colleges
and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

Program Year	Total Awards Issued	Dependent Single Students - Number of Awards	Married Students - Number of Awards	Independent Single Students - Number of Awards
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Awards - Dollar Ranges

	1978-79	1979-80	1980-81	1981-82
Range of Award	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)
\$ 1 - 500	12.44	13.51	6.39	5.83
501 - 1000	16.95	17.70	10.86	8.94
1001 - 1500	17.24	17.55	12.19	10.71
1501 - 2000	26.94	25.85	14.46	13.91
2001 - 2500	14.24	12.87	12.54	12.51
2501 - 3000	9.49	9.53	15.55	12.16
3001 - 3500	1.90	2.12	13.98	13.62
3501 - 4000	0.51	0.58	6.41	10.44
Over \$4000	0.29	0.29	7.62	11.88
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Group

Student Group	1981-82	1980-81	1979-80	1978-79	1977-78	1976-77
A	\$1125	\$1229	\$1229	\$1253	\$ 863	\$ 735
B (single)	1782	1635	1538	1796	1097	908
B (married)	1289	1338	1269	1234	1381	1285

Note: In 1976-77 and in 1977-78, students were required to accept \$1000 in Canada Student Loans before a grant award was issued. In 1978-79, 1979-80, 1980-81, and 1981-82, additional loan assistance was optional.

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Gross Income Ranges of Parents of Dependent Students Receiving Grants

	1978-79		1979-80		1980-81		1981-82	
Parental Gross Income Ranges	No. of Students	As Per Cent of Total	No. of Students	As Per Cent of Total	No. of Students	As Per Cent of Total	No. of Students	As Per Cent of Total
\$ 1 - \$8 000	7 964	19.80	8 570	18.35	8 535	17.87	8 016	16.93
8 001 - 9 000	1 444	3.59	1 607	3.44	1 541	3.23	1 350	2.85
9 001 - 10 000	1 551	3.85	1 705	3.65	1 583	3.34	1 463	3.09
10 001 - 11 000	1 646	4.09	1 781	3.81	1 674	3.51	1 458	3.08
11 001 - 12 000	1 726	4.29	1 962	4.20	1 829	3.83	1 587	3.35
12 001 - 13 000	1 734	4.31	1 943	4.16	1 815	3.80	1 602	3.38
13 001 - 14 000	1 892	4.70	2 024	4.33	1 962	4.11	1 677	3.54
14 001 - 15 000	1 899	4.72	2 059	4.41	1 826	3.82	1 719	3.63
15 001 - 16 000	1 918	4.77	2 044	4.38	1 911	4.0	1 669	3.53
16 001 - 17 000	1 988	4.94	2 113	4.52	2 003	4.19	1 633	3.45
17 001 - 18 000	1 963	4.88	2 134	4.57	1 831	3.83	1 660	3.51
18 001 - 19 000	1 943	4.83	2 128	4.56	1 917	4.01	1 767	3.73
19 001 - 20 000	1 796	4.46	2 081	4.46	1 952	4.09	1 726	3.65
20 001 - 25 000	6 541	16.26	8 263	17.70	8 374	17.54	8 219	17.36
25 001 - 30 000	2 950	7.33	4 023	8.61	5 193	10.87	5 757	12.16
30 001 - 35 000	928	2.31	1 565	3.35	2 413	5.05	3 335	7.05
35 001 - 40 000	239	0.59	477	1.02	838	1.75	1 533	3.24
Over \$40 000	113	0.28	224	0.48	556	1.16	1 167	2.47
Total	40 235	100.0	46 703	100.0	47 753	100.0	47 338	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of
Parents of Dependent Students Eligible for Grants

	1978-79	1979-80	1980-81	1981-82
Parental Gross Asset Ranges	Per Cent of Students	Per Cent of Students	Per Cent of Students	Per Cent of Students
Less than \$1	5.98	4.65	6.72	6.94
\$ 1 - 75 000	76.07	69.94	68.86	63.85
75 001 - 100 000	10.99	12.70	13.00	14.49
100 001 - 125 000	3.33	5.61	5.31	6.68
125 001 - 150 000	1.39	2.76	2.44	3.28
150 001 - 175 000	0.99	1.67	1.30	1.77
175 001 - 200 000	0.48	1.12	0.73	0.98
200 001 - 225 000	0.29	0.81	0.52	0.59
225 001 - 250 000	0.14	0.62	0.35	0.36
Over \$250 000	0.34	0.12	0.77	1.06
	100.0	100.0	100.0	100.0

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students' Summer Earnings

Contribution Ranges	Per Cent of Students			
	1978-79	1979-80	1980-81	1981-82
Less than \$1	9.03	8.66	10.85	11.79
\$ 1 - 200	0.06	0.14	0.23	0.20
201 - 400	17.80	18.71	17.40	0.38
401 - 600	4.35	4.92	5.29	19.44
601 - 800	47.54	45.59	42.18	5.17
801 - 1 000	7.14	6.45	6.34	42.31
1 001 - 1 200	5.48	5.37	5.36	5.95
1 201 - 1 400	3.45	3.49	3.53	4.09
1 401 - 1 600	2.36	2.70	3.04	3.37
1 601 - 1 800	1.18	1.40	1.81	2.35
1 801 - 2 000	0.67	1.01	1.55	1.72
2 001 - 2 200	0.40	0.62	0.96	1.26
2 201 - 2 400	0.20	0.38	0.55	0.72
2 401 - 2 600	0.12	0.25	0.36	0.45
2 601 - 2 800	0.07	0.09	0.18	0.28
2 801 - 3 000	0.05	0.07	0.13	0.18
Over \$3 000	0.10	0.15	0.24	0.34
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Appendix 2: Charts

Chart A: Ontario Student Assistance Program, Total Expenditure

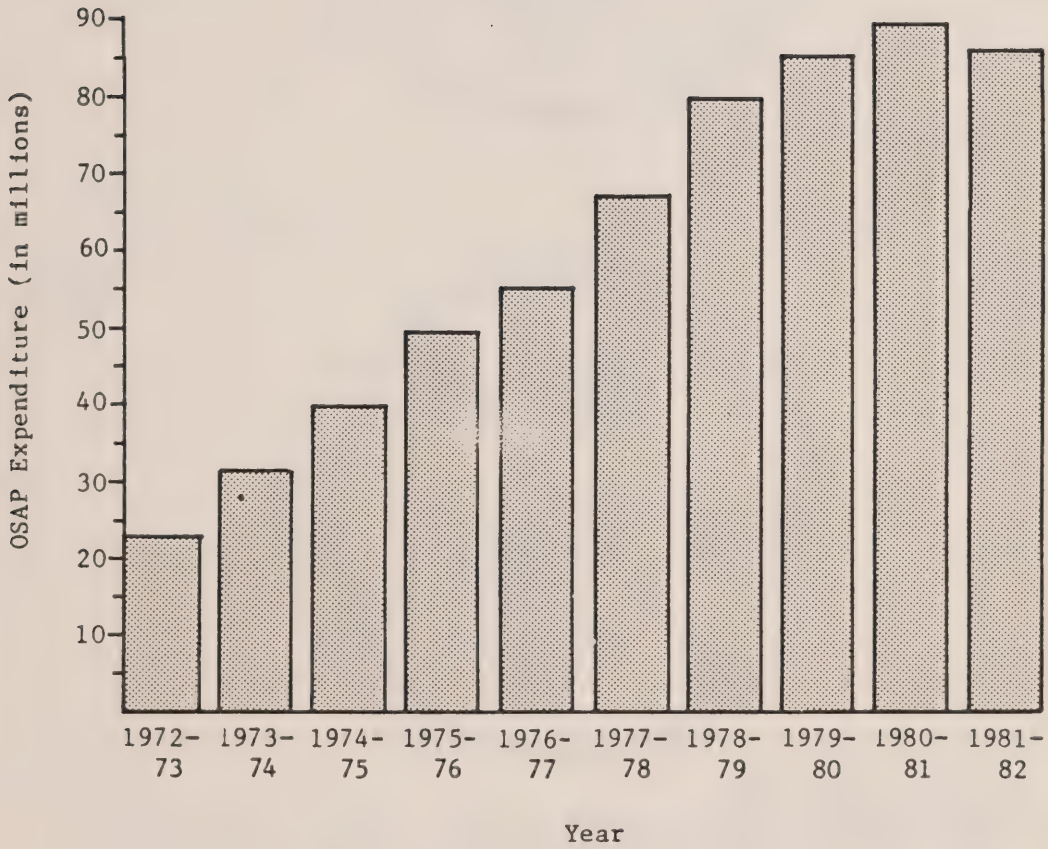
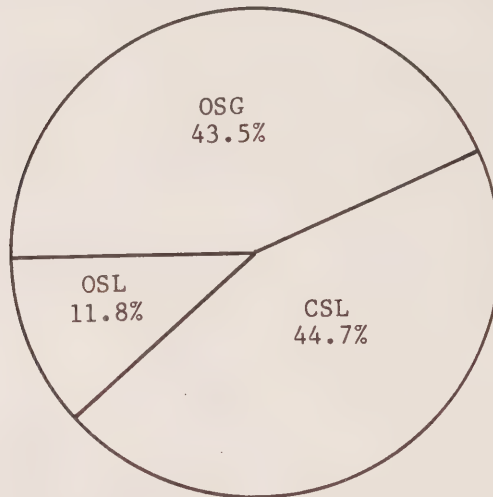
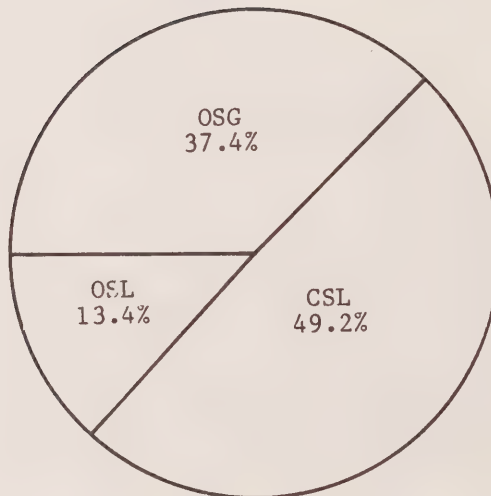


Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1980-81



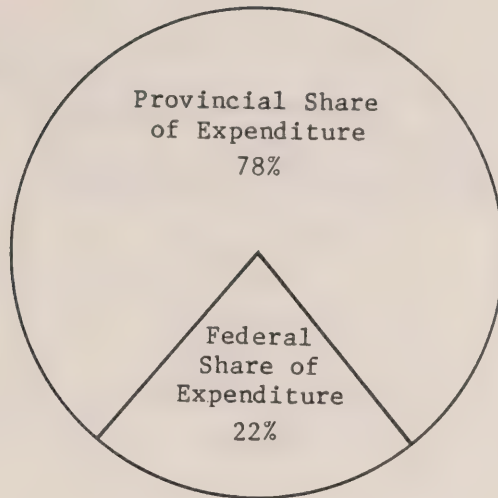
1981-82



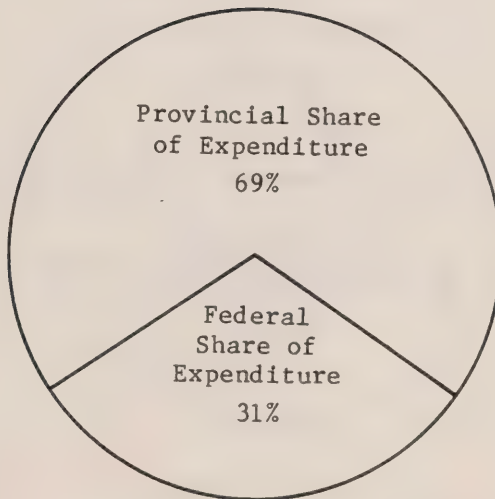
OSG: Ontario Study Grant
CSL: Canada Student Loan
OSL: Ontario Student Loan

Chart C: Ontario Student Assistance Program, Expenditure⁴ by Federal and Provincial Governments

1980-81



1981-82



⁴Expenditure includes: Grants and bursaries, Interest on federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

Chart D: Ontario Student Assistance Program, Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients

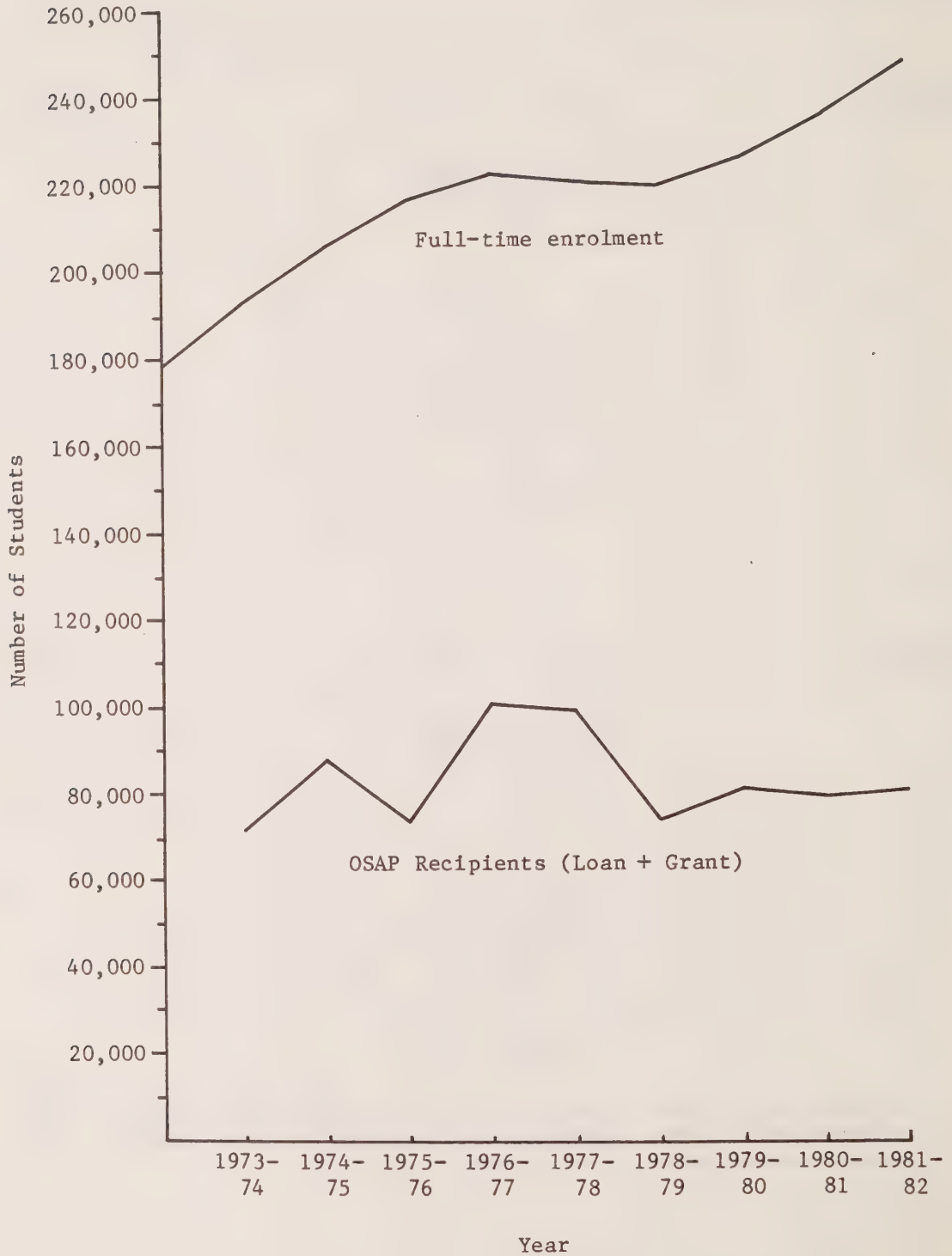
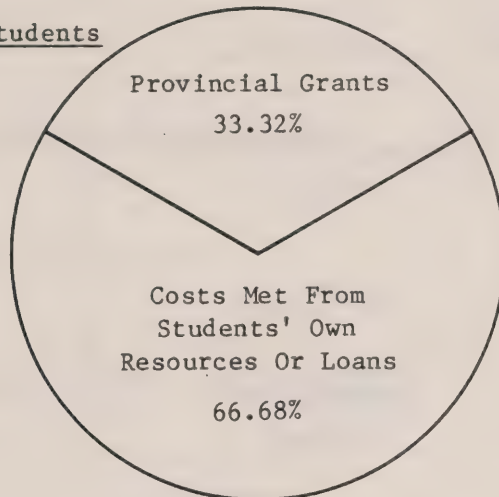
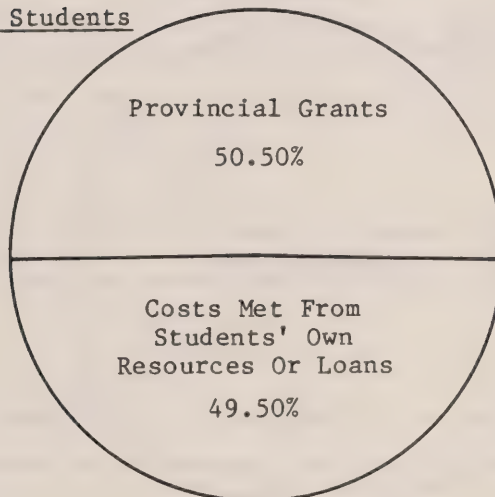


Chart E: Ontario Student Assistance Program, Costs of Students Applying for Grants

Dependent Single Students



Independent Single Students



Married Students

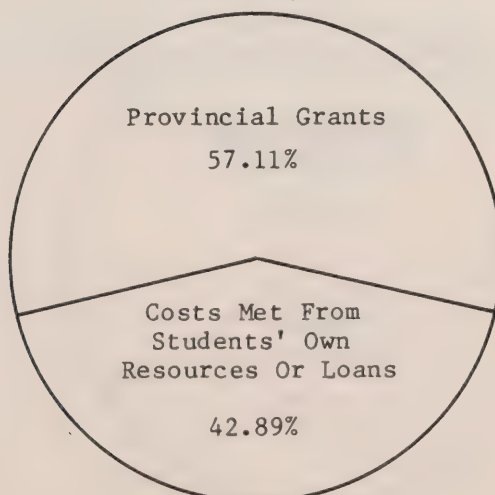
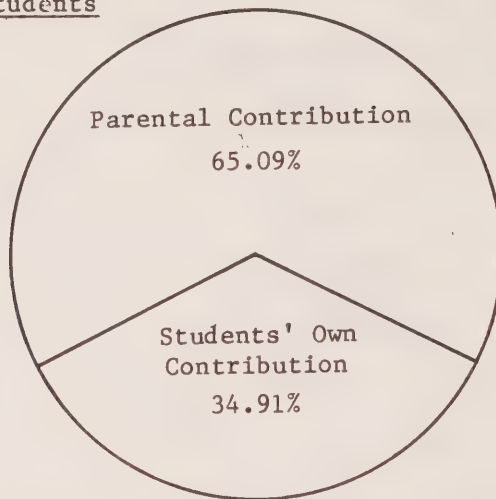
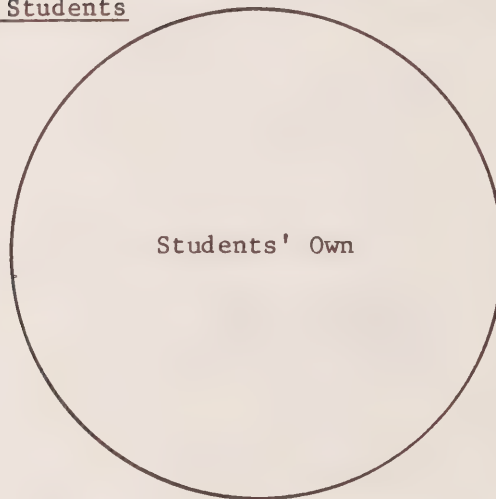


Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

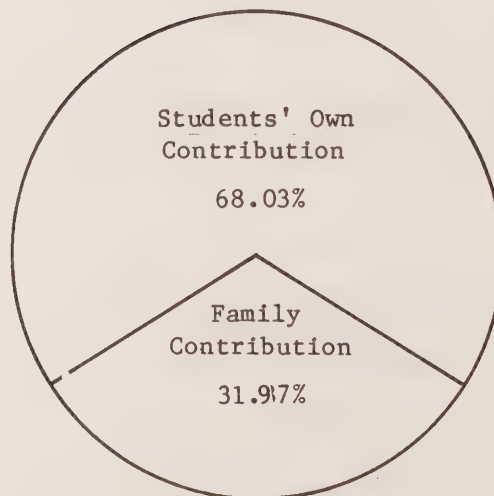


Chart G: Ontario Student Assistance Program, Grant Awards by Student Group

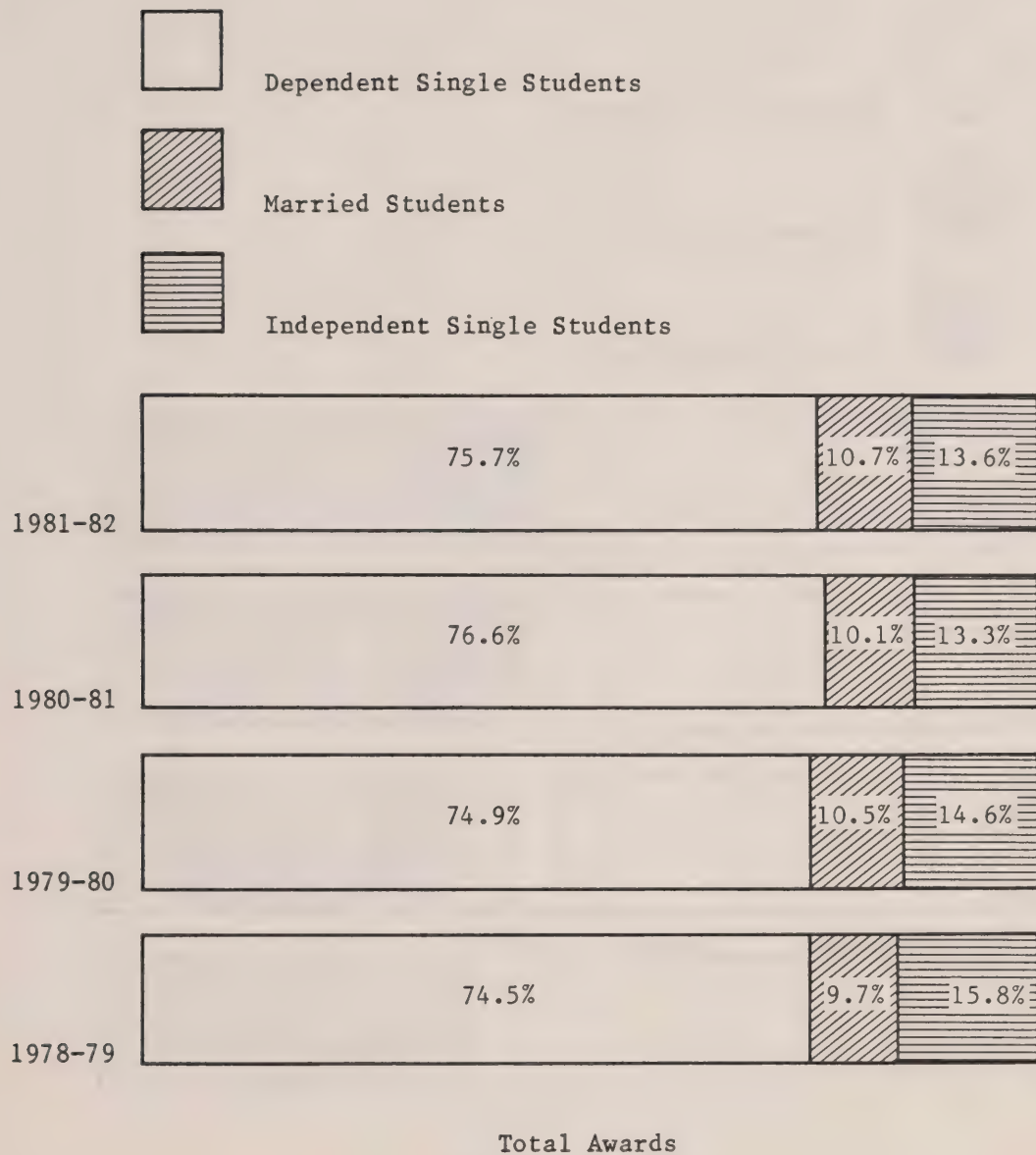


Chart H: Ontario Student Assistance Program, Grant Awards by Institution Type

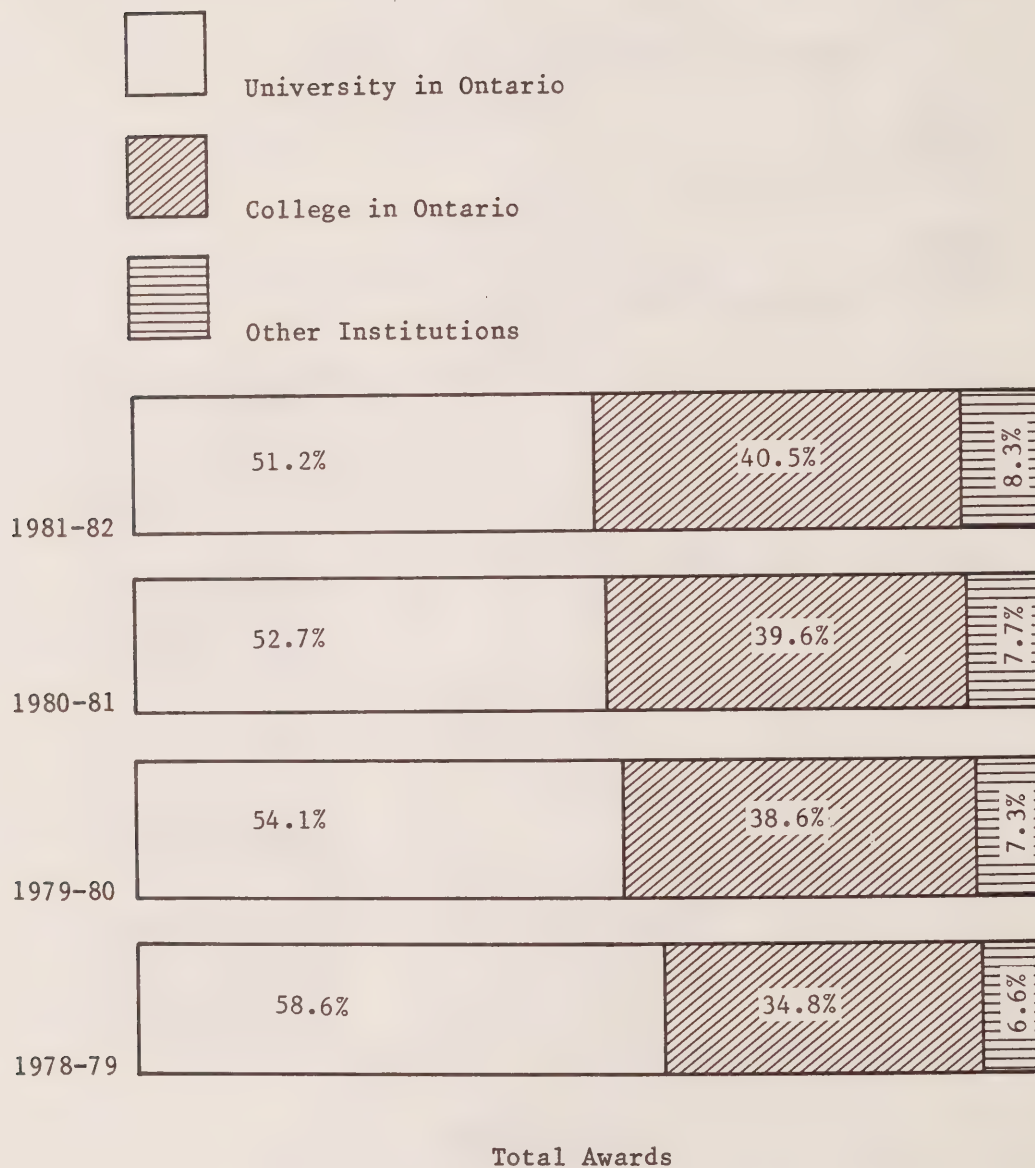


Chart I: Ontario Student Assistance Program, Parental Gross Income of Dependent Single Students Receiving Grants

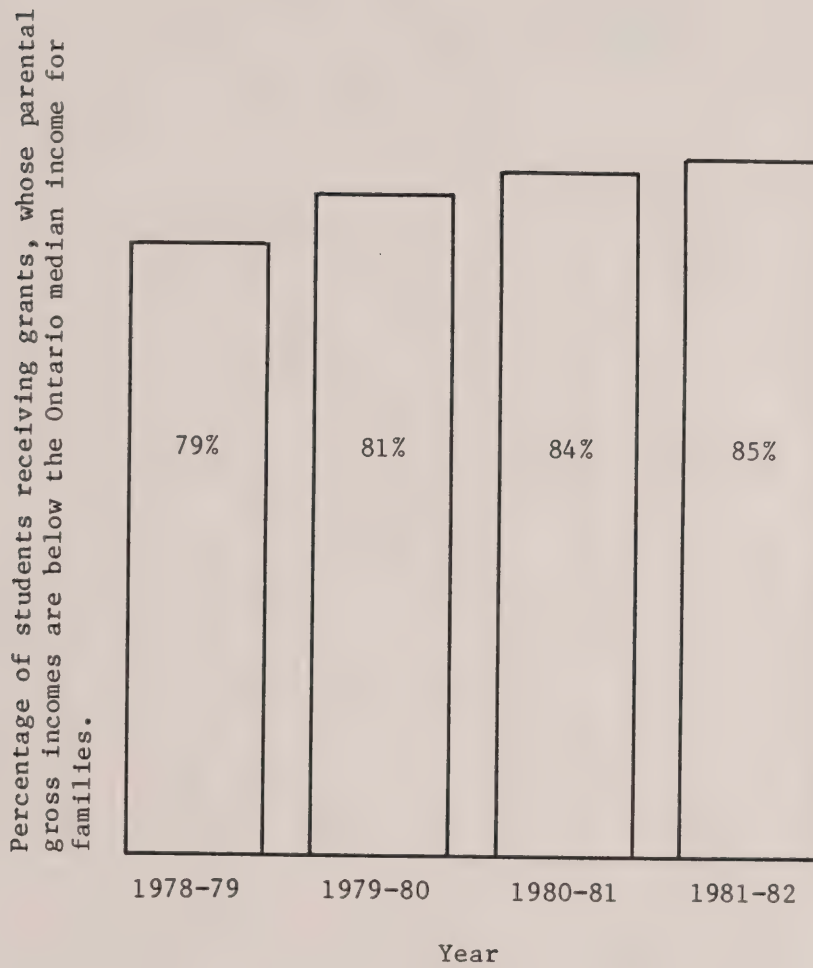
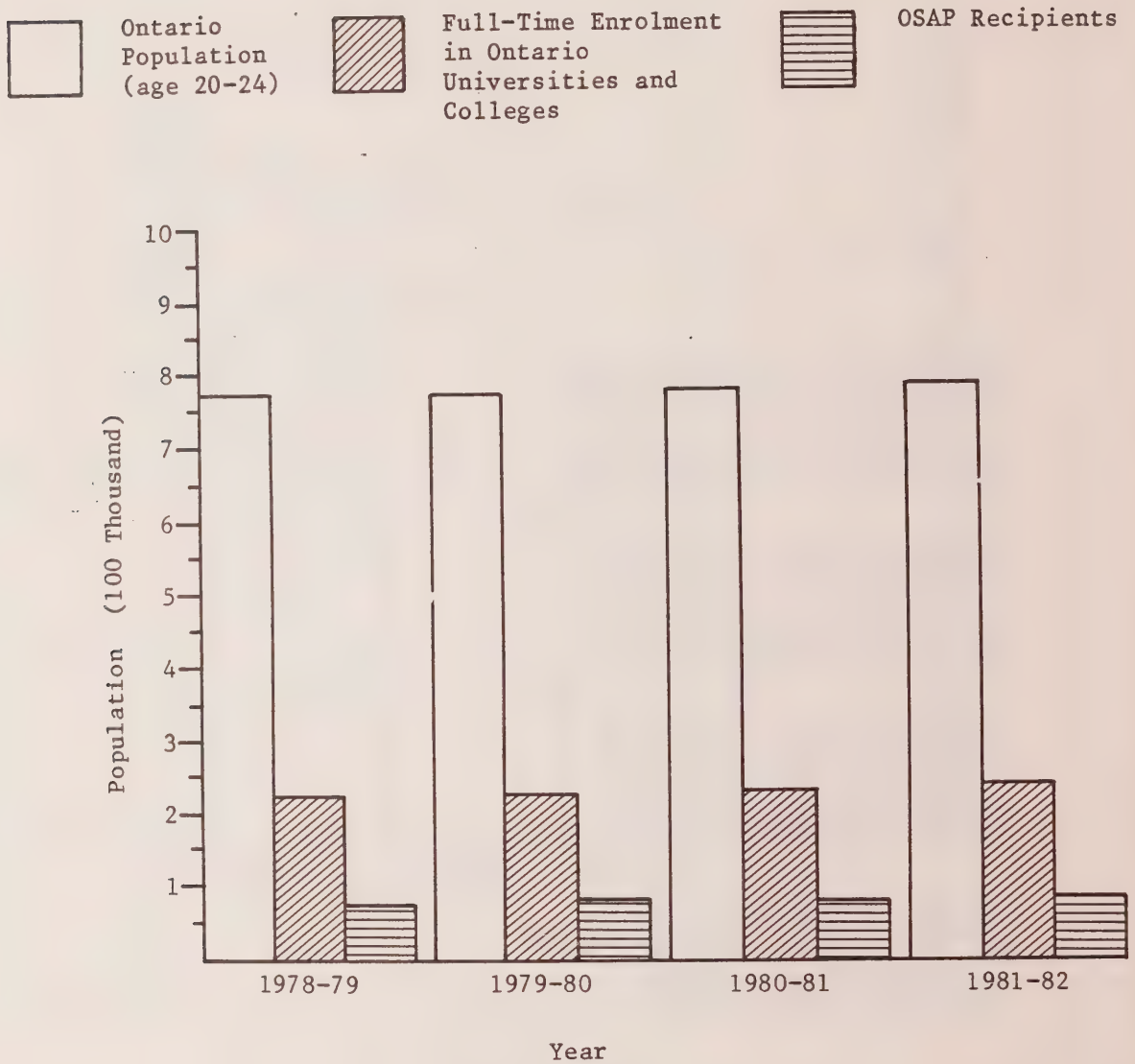


Chart J: Ontario Student Assistance Program, Ontario Population⁵ (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges and OSAP Recipients



⁵Source: Ontario Statistics 1982





Ministry of
Colleges and
Universities

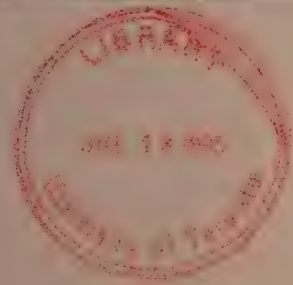
Hon. Bette Stephenson, M.D., Minister
Harry K. Fisher, Deputy Minister

CA2 ØN
DG120
-R25

OSAP



Report of the Ontario Student Assistance Program 1982/83



Report of the Ontario
Student Assistance Program
1982-83

This report provides an analysis and review of the Ontario Student Assistance Program for the academic year 1982-83. It is the fifth annual report on the program since the introduction of the Ontario Study Grant Plan.

The data for the report were extracted from the Ministry's computer files where information provided on the students' application forms for assistance is stored. All amounts shown in this report are expressed in 'current dollars'. No allowance has been made for inflation. Additional information relating to the report may be obtained from the Ministry, if it is readily available.

This report was compiled by the Student Awards Branch of the Ministry of Colleges and Universities. Requests for further information should be directed to S. (Raj) Rajagopal at 416-965-7191.

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Summary	2
The Aid Recipients	4
Amount of Assistance Received	6
Students' Educational Costs and How They Were Met	8
Family Profile of Students Receiving Assistance	9
Study Level/Course Profile	10
Federal Assistance Provided to Students Under the Canada Student Loans Program	12
Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans	13
Ontario Special Bursary Plan and How It Meets the Financial Needs of Students Facing Special Circumstances	15
Ontario Work Study Plan	17
Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received	17
Role the Appeal Board Plays in the Program	18
The Ministry Verification of Information	18
Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools	19
Summary and Conclusion	20

TABLE OF CONTENTS (Cont'd.)

	<u>Page</u>
Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds	22
B. Full-Time Enrolment and OSAP Recipients	23
C. Grant Awards by Student Group	24
D. Grant Awards - Dollar Ranges	25
E. Average Grant Awards by Student Group	26
F. Grants Received by Dependent Students According to their Parental Gross Income Ranges	27
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	28
H. Contribution From Students' Summer Earnings	29
Appendix 2: Charts	
A. Total Expenditure	30
B. Breakdown of Total Assistance	31
C. Expenditure by Federal and Provincial Governments	32
D. Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	33
E. Costs of Students Applying for Grants	34
F. Resources of Students in Grant Assessment	35
G. Grant Awards by Student Group	36
H. Grant Awards by Institution Type	37
I. Parental Gross Income of Dependent Single Students Receiving Grants	38
J. Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	39

Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920s, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario, provincial grants were introduced in 1966 to supplement the federal loans. In 1978 the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and assessment of financial need.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents in order that they have access to postsecondary education.

In order to meet this objective, assistance is provided in the form of non-repayable grants (for the first four years of postsecondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the four plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake postsecondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1982-83. It analyses the assistance provided under the program (to whom aid was given, in what form, etc.). It also reviews the program's operation in terms of its individual components and verification, and takes a critical look at the extent to which the program has met its objectives.

Wherever possible, comparative data are provided for earlier years. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to take out the first \$1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province.

In 1982-83 a student was classified as Group B (independent) for grant assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had been out of secondary school for four full years. A student who did not meet the above criteria was classified as Group A (dependent).

Detailed tables on the various distributions of these awards are provided as appendix to this report.

Summary

During the academic year 1982-83¹, a total of 100 778 students received aid in the form of loans and grants under the Ontario Student Assistance Program. ²The total assistance for which these students were eligible was \$299.00 million; \$101.12 million of this was in the form of grants, and \$197.88 million in the form of loans.

The highlights of the program in 1982-83 are as follows:

- Of all students in full-time enrolment in Ontario colleges and universities, 33.14 per cent received assistance under the Ontario Student Assistance Program. Of these, 27 per cent received a mix of grants and loans, and 6.14 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities increased by 25.38 per cent over that of the previous year. Grant awards increased by 25.57 per cent and loan awards by 24.14 per cent from 1981-82.
- Average grants for the three main categories of students changed slightly: there was a 5.07 per cent increase for dependent single students, a 2.86 per cent increase for independent single students, and a 2.17 per cent increase for married students.
- Approximately 37% of the total grants provided to dependent single students under the program was received by students whose parents earned incomes less than \$10 001, and 78.5% by students with parental incomes less than \$20 001.
- The increase in the number of grant awards was mainly for students enrolled in the colleges of applied arts and technology (31.90 per cent) and private vocational schools (31.99 per cent); university students eligible for grants also registered an increase of 20.45 per cent.
- The number of dependent single students receiving grants increased by 27.38 per cent. The number of married students receiving grants recorded an increase of 19 per cent. The increase in the number of independent single students receiving grants was 20.72 per cent.
- The number of Canadian citizens receiving grants increased by 25.95 per cent. The number of permanent residents (landed immigrants) recorded an increase of 20.14 per cent.
- Of the total grant awards, 52.33 per cent were made to female students.

¹The academic year covers the period from July of one year to August of the following year (from September to the following April for most students), and overlaps two government fiscal years which run from April of each year to the following March.

²Assistance consists of loans and grants and does not include the expenditure made on interest payments and defaults on loans.

- Of the students enrolled in Ontario's universities, 38 598 received assistance in the form of grants or a mix of grants and loans. The breakdown of this enrolment was as follows: 36 624 in undergraduate programs; 155 in graduate programs; and 1819 in diploma, certificate, and other non-degree programs.
- Of the students enrolled in Ontario's colleges, 33 402 received grants and/or loans. These students were enrolled in the following programs: 28 102 in diploma programs, 5286 in certificate programs, and 14 in other programs.
- A large number of the grant awards (48.11 per cent) fell in the \$1001 - \$2500 range. The distribution of awards showed a small increase in the over \$3000 range (5.41 per cent). There was a decrease (2.54 per cent) in the number of awards in the \$1 - \$1,000 range.
- The parental-income profile of dependent single students receiving grants showed a slight variation from 1981-82. Parental incomes of grant recipients showed a small upward shift in the over \$25 000 income ranges. Of the dependent single students receiving grants, 31.97 per cent showed a parental gross income of under \$15 001, 40.70 per cent had parental gross incomes below \$18 001 and 46.54 per cent had parental gross incomes less than \$20 001. Tables on these distributions are provided in Appendix 1.
- The family size of dependent single students receiving grants maintained more or less the same pattern as in the previous year. The figures given in Table 1 are self-explanatory.

Table 1: Family Size of Dependent Single Students Receiving Grants

<u>Number of Children</u>	<u>Per Cent of Students</u>
1 child	30.72
2 children	31.82
3 children	22.62
4 children	9.87
Over 4 children	4.97
<u>Total</u>	<u>100.0</u>

- Students who were eligible to apply only for loans came mainly from three groups: independent single students (74.24 per cent), dependent single students attending schools away from their parental homes (9.07 per cent) and independent married students (9.45 per cent). Of the independent single students, 29.22 per cent had loans in the range of \$1 - 2000, 18.12 per cent had loans in the range of \$2001 - \$3000, and 52.66 per cent had loans in the range of \$3001 and over.
- A total of 406 students received funds under the Ontario Work Study Plan. This plan was introduced in 1982-83 as a pilot project to help students with special financial need not met under the regular OSAP assessment. Of these, 53.4% were dependent single students, 32.3% independent single students, 3.7% single parents and 10.6% other married students.

The Aid Recipients

For the academic year 1982-83, a total of 78 554 grant awards were issued for a dollar value of \$101.12 million. In addition, 100 778 loans were issued for an amount of \$197.88 million, consisting of \$146.54 million in federal loans and \$51.34 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 2 shows.

Table 2: Student Awards by Type

	Number of Awards		Dollar Value (in millions)	
Grants	78 554	(43.80%)	\$101.12	(33.82%)
Loans	100 778	(56.20%)	\$197.88	(66.18%)
Total	179 332	(100.0%)	\$299.00	(100.0%)

Of the 100 778 loan awards, 22 224 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1982-83.

Of the total grant awards issued in 1982-83, 38 598 were made to students attending universities in Ontario, and 33 402 to students enrolled in Ontario's colleges of applied arts and technology. Out of the total of 100 778 loans, 52 612 were issued to university students in Ontario, and 35 898 to college students. Table 3 presents a breakdown of this assistance.

Table 3: Student Awards by Type of Institution Attended

Institution Attended	Grants		Loans	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	38 598 (49.14%)	\$52.65 (52.08%)	52 612 (52.21%)	\$112.46 (56.83%)
College in Ontario	33 402 (42.52%)	\$41.30 (40.84%)	35 898 (35.62%)	\$58.39 (29.51%)
Other Institutions	6 554 (8.34%)	\$ 7.17 (7.08%)	12 268 (12.17%)	\$27.03 (13.66%)
Total	78 554	\$101.12	100 778	\$197.88

The breakdown of the loans and grants by the type of student is summarized in the following Table.

Table 4: Number (Per Cent) of Student Awards by Type of Student

	Grants	Loans
Dependent single students	60 297 (76.76%)	63 129 (62.64%)
Independent single students	10 290 (13.10%)	26 788 (26.58%)
Married students*	7 967 (10.14%)	10 861 (10.78%)
Total	78 554	100 778

*Included in the married students are 3687 single parents who received grant and loan assistance and 793 single parents who were awarded loans only.

Of the grant awards 73 620 (93.72 per cent) were made to Canadian citizens, and the remainder (4934) to permanent residents (landed immigrants). With respect to loan awards, 94 163 (93.44 per cent) were issued to Canadian citizens, and 6615 to permanent residents.

During the academic year 1982-83, the number of female students receiving assistance has remained fairly consistent with previous years, as shown in Table 5.

Table 5: Students Receiving Assistance, Broken Down by Sex

	Grants		Loans	
	1981-82	1982-83	1981-82	1982-83
Male students	28 441 (45.46%)	37 447 (47.67%)	38 610 (47.56%)	49 507 (49.12%)
Female students	34 116 (54.54%)	41 107 (52.33%)	42 570 (52.44%)	51 271 (50.88%)
Total	62 557	78 554	81 180	100 778

There was a large increase in the total number of grant awards issued in 1982-83 (25.57 per cent). The increase in loan awards for the same period was 24.14 per cent.

Amount of Assistance Received

Of the total amount of grants, 70.83 per cent was received by the single students whose parental resources were taken into consideration in determining financial need; independent single students and married students received 18.74 per cent and 10.43 per cent respectively of the total grants. Table 6 shows the average grant assistance for the three groups of students.

Table 6: Average Grant Assistance by Type of Student

	1981-82	1982-83
Dependent single students	\$1125	\$1182
Independent single students	\$1782	\$1833
Married students	\$1289	\$1317

The average grant assistance to dependent single students shown in Table 6 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 65.95 per cent lived away from home during 1982-83. The corresponding percentage for 1981-82 was 68.98.

The award profile of students according to the type of school they attended is shown in Table 7.

Table 7: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant	
	1981-82	1982-83
University in Ontario	\$1290	\$1364
College in Ontario	\$1203	\$1236
Other institutions	\$1093	\$1094

Average awards for students at Ontario's postsecondary institutions have recorded a slight increase in 1982-83. This is attributable in part to increases in tuition fees and other costs faced by students as Tables 11 and 12 would show.

The figures for loans issued in 1982-83, shown in Tables 8 and 9, also reflect a picture similar to that for grants. The following are two possible reasons for the increases in average loans: (a) the cost/resource levels permitted in loan assessments are less stringent than those for grant assessments, and hence the financial need under loan assessments is higher for most students; (b) students who appeal for increased assistance because of special circumstances get additional support funds generally in the form of loans.

Table 8: Average Loan Assistance by Type of Student

	1981-82	1982-83
Dependent single students	\$1059	\$1538
Independent single students	\$2340	\$2602
Married students	\$2575	\$2660

Table 9: Average Loan Assistance by Type of Institution Attended

Institution Attended	Average Loan	
	1981-82	1982-83
University in Ontario	\$1714	\$2138
College in Ontario	\$1240	\$1627
Other institutions	\$2058	\$2203

Table 10 shows the distribution of 'grant' awards for the two academic years 1981-82 and 1982-83:

Table 10: Distribution of 'grant' Awards by Value

Value of 'grant' Awards	Percentage of Recipients	
	1981-82	1982-83
\$ 1 - \$ 500	13.86	12.21
\$ 501 - \$1000	16.31	15.42
\$1001 - \$1500	16.70	15.70
\$1501 - \$2000	15.22	14.45
\$2001 - \$2500	18.23	17.96
\$2501 - \$3000	9.32	8.49
Over \$3000	10.36	15.77
Total	100.0	100.0

In 1982-83 about 22 900 students who applied for grant assistance did not receive any awards because their resources were in excess of the costs calculated under the program.

The size of the grant awards assessed during 1982-83 varied according to the individual circumstances of students applying for assistance. While costs generally increased, variations in resources affected the change in the pattern of grant awards from 1981-82 to 1982-83. The grant awards ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Of the grant awards, 48.11 per cent were in the range of \$1001 to \$2500. Awards in excess of \$2500 accounted for 24.26 per cent of the total. The profile of awards shows an increase in the number of awards in the \$3501 - \$4000 range, and an increase of awards in excess of \$4000. This would indicate that funding is reaching its intended clientele, that is, students from low income families whose financial needs are significantly high. Another contributing factor is the number of married students whose family income did not rise to the same extent as their educational costs and who, therefore, received increased awards.

Students' Educational Costs and How They Were Met

The total costs of students attending postsecondary institutions are made up of tuition fees, ancillary fees, and book, equipment, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources to the extent needed to meet these costs. During 1982-83 student costs in the grant assessments consisted of 21.63 per cent for tuition fees, 59.80 per cent for food and accommodation, 10.31 per cent for books and equipment, and the balance (8.26 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 11. They reflect the general increase in costs for all students.

Table 11: Average Student Costs by Type of Student

	1981-82	1982-83
Dependent single students	\$3375	\$3609
Independent single students	\$3529	\$3793
Married students	\$2257	\$2334

The average student costs by type of institution attended are given in Table 12.

Table 12: Average Student Costs by Type of Institution Attended

	1981-82	1982-83
University in Ontario	\$3586	\$3884
College in Ontario	\$2926	\$3146
Other institutions	\$3068	\$3090

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school). For students attending Ontario's universities, the average tuition fee increase in 1982-83 was \$121. Similar increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately \$47.

Approximately 63 per cent of the total educational costs of all students eligible for grants in 1982-83 was met out of the resources of the students and/or their families. The remaining 37 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the percentage of total costs met by non-repayable grants is as follows: for dependent single students - 32.75 per cent, for independent single students - 48.32 per cent and for married students - 56.42 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the students' own contribution (36.79 per cent) and a parental contribution (63.21 per cent). Parental contribution accounted for about 65.70 per cent of the total resources for students living away from home, but only 56.07 per cent for students living with parents while at school. These parents provided further assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 63 per cent of the dependent single students who received grant assistance in 1982-83 were from families with one or two children. The distribution of families by number of children is given in Table 1, Page 3. The slight increase in 1982-83 in the number of families with one child and two children is compensated partly by a corresponding decrease in the number of families with three or more children.

The grants received by dependent single students depended on their parental incomes and also on other factors such as the number of children in their family and, in particular, the number of children attending postsecondary institutions from their family. The average award for students whose parental incomes were \$15 000 or lower was \$2207 while the average award for those whose parents earned over \$30 000 was \$204.

Approximately 60% of the total grant assistance provided to dependent single students was received by students whose parental incomes were \$15 000 or less. An additional 36% was received by students whose parents earned between \$15 001 and \$30 000. Four per cent of the total grant funds reached students whose parents were earning in excess of \$30 000. The amount of assistance depended on the 'need assessment' which takes into account the resources of the students and the costs they are expected to incur during the study period.

Statistics Canada's estimate of median income for families in Ontario for 1982 was \$30 888. Students who came from families below the above median income received approximately \$68.45 million in grants, which represents 96.3% of our total grants provided to dependent single students in 1982-83.

The majority of married students who received grants in 1982-83 (60.86%) had a family gross income below \$10 001. Close to 34.65 per cent of married students had incomes below \$5001. Those with family incomes above \$10 000 accounted for 39.14 per cent of the total number of married students.

Study Level/Course Profile

The students who were assisted with grants in 1982-83 were, for the most part, enrolled in postsecondary courses of twenty-six to thirty-eight weeks' duration. In addition, there was a significant group of students taking courses of ten to nineteen weeks in length (9.22 per cent), and a slightly larger number of students taking courses of more than thirty-eight weeks' duration (10.67 per cent). The grant recipients in 1982-83, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (Per Cent) by Type of Institution and Length of Course

<u>Course Length</u>	<u>Per Cent In Ontario's Universities</u>	<u>Per Cent In Ontario's Colleges</u>	<u>Per Cent In Other Institutions</u>
Less than 19 weeks	7.53	11.69	19.88
20 - 25 weeks	0.85	2.97	2.56
26 - 32 weeks	14.33	9.04	28.20
33 - 38 weeks	68.92	65.66	24.93
Over 38 weeks	8.37	10.64	24.43
<u>Total</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

The general shift in the course length distributions has been from the "26 - 32 weeks" to "Over 38 weeks" categories. This shift represents a very slight increase in the program lengths of courses offered at the various postsecondary institutions in Ontario. In part, it could be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner, or due to the fact that many institutions have structured their programs to run throughout the year without a break in the summer in order to make effective use of the facilities available.

Universities in Ontario Because of the restriction on grants to the first four years of postsecondary study, most of the grant recipients in 1982-83 (94.89%) were enrolled in undergraduate programs. About 5.01 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (68.40 per cent) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1982-83 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants, by Type of Program

Faculty	Percentage of Students
Arts and Sciences	68.40
Engineering and Technology	10.19
Administration/Business	9.11
Health Sciences	5.03
Education and Social Work	3.95
Other	3.32
Total	100.0

Of the students who received only loans, 14.51 per cent were enrolled in graduate programs, and the remaining applicants (85.49 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (programs in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1982-83.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Others (cert. and diplomas)
Arts and Sciences	42.91	45.15	49.15
Law	11.74	0.25	0.85
Education and Social Work	10.75	10.13	13.73
Engineering and Technology	10.33	3.64	13.22
Medicine	10.06	1.08	1.36
Business	5.38	28.09	13.39
Other	8.83	11.66	8.30
Total	100.0	100.0	100.0

Colleges in Ontario The programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1982-83 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants, by Type of Program

<u>Faculty</u>	<u>Percentage of students</u>
Administration/Business	29.95
Engineering and Technology	23.58
Arts and Sciences	21.92
Health Sciences	13.44
Education and Social Work	7.27
Trades and Vocations	3.39
Other	0.45
<u>Total</u>	<u>100.0</u>

Table 17 shows the distribution of college students receiving only loans in 1982-83

Table 17: Distribution of College Students Receiving only Loans, by Type of Program

<u>Faculty</u>	<u>Percentage of Students</u>	
	<u>Diploma</u>	<u>Certificate</u>
Engineering and Technology	30.00	14.88
Health Sciences	22.93	15.15
Administration/Business	21.52	27.00
Arts and Sciences	20.07	19.56
Education and Social Work	4.08	3.58
Other	1.40	19.83
<u>Total</u>	<u>100.0</u>	<u>100.0</u>

Federal Assistance Provided to Students Under the Canada Student Loans Program
The Canada Student Loans (CSL) Program is one of the four aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years' postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past six years is shown in Table 18.

The increase over previous years in the total Canada Student Loans assessed in 1982-83 is the result mainly of a change in the tables for calculating contribution from parental income, which reduced the amount that parents were expected to contribute to their son or daughter's education.

Table 18: Student Assistance Under the Canada Student Loans Program

<u>Year</u>	<u>Number of Students Eligible</u>	<u>Amount of Assistance (in millions)</u>
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39
1981-82	81 180	\$101.91
1982-83	100 778	\$146.54

The levels of costs and allowances under the Canada Student Loans Program are generally more generous than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans as required to meet their additional expenses related to life style differences.

Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their course was less than twenty-six weeks, their program of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at \$1800 from 1974 to 1983 in spite of annual increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans now top off the federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. As a consequence, the volume of Ontario Student Loans issued in the academic year 1982-83 increased to about \$51.34 million. Table 19 illustrates the growth in the provincially guaranteed loans.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95
1981-82	\$27.65
1982-83	\$51.34

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks for guaranteed loans. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Claims

Year	Interest on Loans	Claims Paid Under Guarantee	
		Number	Amount
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76
1981-82	\$4 910 029.01	1493	\$2 276 193.99
1982-83	\$6 054 284.09	1159	\$2 282 985.91

Under the Ontario Student Assistance Program, 114 770 provincial loans have been negotiated since their inception and only 3.51 per cent of these loans have been claimed by banks. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a claim rate of 10.87 per cent.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once these amounts are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrowers. Quite a number of the defaulted loans are recovered from the students usually with a commitment to provide repayment over a future period of time. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts of such collections were \$6010 in 1978-79, \$31 900 in 1979-80, \$119 200 in 1980-81, \$280 900 in 1981-82 and \$372 270 in 1982-83.

The value of loans claimed since the inception of the Ontario Student Loans Plan is slightly over \$6 million. These claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

Table 21: Student Loan Claims by Amount

Claim Ranges	Per Cent of Loan Accounts
\$ 1 - \$ 500	15.07
\$ 501 - \$1000	23.54
\$1001 - \$1500	14.64
\$1501 - \$2000	19.76
\$2001 - \$2500	13.16
\$2501 - \$3000	4.66
\$3001 - \$3500	2.32
\$3501 - \$4000	2.49
\$4001 and over	4.36
Total	100.0

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Death	1.26
Illness	2.02
Bankruptcy	3.68
Unemployment	13.76
Unwillingness/Non-cooperation	38.94
Inability to locate/trace/contact borrower	29.96
Other miscellaneous reasons	10.38
Total	100.0

Ontario Special Bursary Plan and How It Meets the Financial Needs of Students Facing Special Circumstances

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past eight years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1980-81 to 1982-83 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1980-81	1981-82	1982-83
Number of students assisted	1175	1770	1965
Total assistance provided	\$477 471	\$490 111	\$582 819
Average bursary award	\$ 406	\$ 277	\$ 297
Maximum bursary	\$ 1200	\$ 1200	\$ 1200

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60 per cent course load or less. However, because of its suitability for students in skills-upgrading programs, students in such programs with a course load of over 60 per cent are also permitted to apply for this program.

Of the total number of students who received bursary assistance in 1982-83, about 12 per cent were males and the remaining 88 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

<u>Status</u>	<u>Per Cent of Students</u>
Single students	12.46
Single parents	72.85
Other married students	14.69
<u>Total</u>	<u>100.0</u>

Of all the bursary recipients, 84.57 per cent had no employment to report during the period of study. The remaining 15.43 per cent of bursary students had some kind of employment - 5.12 per cent were employed full-time, and 10.31 per cent reported part-time employment.

A large number of the bursary recipients in 1982-83 (81.82 per cent) were receiving support of some kind from a government or quasi-government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

<u>Nature of Support Funds</u>	<u>Per Cent of Students</u>
Family Benefits allowances	52.67
Unemployment insurance benefits	8.53
General Welfare allowances	18.55
Penitentiary allowances	-
Rehabilitation benefits	0.59
Other pension benefits	1.48
Subtotal	81.82
Those receiving no support	18.18
<u>Total</u>	<u>100.0</u>

A large majority of the bursary recipients did not have any prior postsecondary education. Of the total bursary recipients 31.97 per cent had some postsecondary education. Another 9.05 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 59.9 per cent were single parents.

Ontario Work Study Plan

In 1982-83 a new plan called the Ontario Work Study Plan was introduced, on a pilot basis, as part of the Ontario Student Assistance Program. The objective of this plan is to provide the financially needy students with additional funds in the form of remuneration for work done, in order to help them meet their special costs while at school without any excessive dependence on loans. This plan emphasizes the principle of self-help, and permits students to make up the shortfall in their expenses by working in or around the campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the local sponsors.

There was some delay in the program getting started in this year. As a consequence of the delayed implementation, the expenditure for the program in the fiscal year 1982-83 was only \$47 521 which represents a half share of the total outlay for the plan. The response to the plan was, however, enthusiastic from both students and the 21 postsecondary institutions which participated in the plan.

A breakdown of the recipients of Work Study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution and Student Group

Student Group	Colleges		Universities		Total	
	# of Recips.	As % of Total	# of Recips.	As % of Total	# of Recips.	As % of Total
Dependent single	64	53.33	153	53.50	217	53.44
Independent single	35	29.17	96	33.57	131	32.27
Married students	12	10.0	31	10.84	43	10.59
Single parents	9	7.50	6	2.09	15	3.70
Total	120	100.0	286	100.0	406	100.0

The circumstances which prompted these students to apply for work study funds were: lack of parental contribution (30.8%), cash flow problems (18.9%), lack of summer earnings (13.4%) and ineligibility caused by ceiling on awards (11.7%). 69.8% of the students who received work study funds expressed satisfaction with the quality, rate of pay, hours of work and learning experience in the work study positions offered to them.

As the Ontario Work Study Plan gathers momentum, it is expected to play a significant role in complementing the three other plans under the umbrella of the Ontario Student Assistance Program.

Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received

The policy on assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected based on the net value of the student's or family's assets when determining the student's financial need. Because of this contribution from assets, funds available in the program could be directed to those students who needed assistance most. In 1982-83, 3447 students receiving grants had an expected contribution from parental assets, the average contribution being \$870 per student. The average contribution from the 627 married students with assets was \$742 per student. There were 3043 students receiving grants who had a contribution expected from their own assets, the average amount being \$561 per student.

Role the Appeal Board Plays in the Program

Students with unique circumstances that are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an Appeal Board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators. During the 1982-83 academic year, 1148 appeals were handled by the Appeal Board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spouse's refusal or inability to contribute. These appeals in 1982-83 resulted in the awarding of \$1 076 594 in additional grants and \$1 888 380 in additional loans to students. As an independent external body, the Appeal Board ensures equity in individual cases, and provides additional support funds when needed.

The Ministry Verification of Information

The main purpose of the Ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected at the Ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the Ministry. Files maintained at the awards offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the Ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the Ministry fully preserves the confidentiality of the information provided.

In 1982-83, 9183 selected files were examined for accuracy of assessments as part of the general audit of student data. The results of this examination showed underpayments of \$324 735 and overpayments of \$2 288 029. A total of 4762 cases were involved in these adjustments.

Seventy-four cases were investigated for suspected fraud or misrepresentation. Following investigation, eleven cases were referred to the federal authorities for prosecution under the Canada Student Loans Act. These are under investigation by the RCMP. Six cases were referred to the Ontario Provincial Police. Five cases reached trial. Convictions were obtained in four, and the fifth was dismissed on a technicality.

Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1982-83, twenty-five private vocational schools qualified for participation in the grant plan.

During the year 1982-83, 4353 students enrolled in private vocational schools received grant assistance totalling \$4.34 million. The number of students who received grants in 1982-83 represents an increase of 31.99 per cent over that in the previous year. The average amount of grant assistance provided to these students in 1982-83 was \$998, a drop of 4.77% from the previous year.

Private vocational school students who received grant assistance in 1982-83 were enrolled mainly in engineering and technology, trades and vocations, and administration or business programs. The participation of students attending private vocational schools in Ontario for the two years 1981-82 and 1982-83 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	1981-82		1982-83	
	Grants	Loans	Grants	Loans
Number of students receiving aid	3298	4271	4353	5677
Total value of aid received (in millions)	\$3.46	\$10.93	\$4.34	\$15.49

Summary and Conclusion

In its fifth year of operation, the Ontrio Study Grant Plan promoted accessibility to postsecondary education for Ontario residents by providing 78 554 students with a total of \$101.12 million as need-based, non-repayable grants. In addition, federal loans of \$146.54 million and provincially guaranteed loans for \$51.34 million were also issued to students in 1982-83. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 100 778 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1982-83 constituted 33.14 per cent of the total full-time enrolment in Ontario's universities and colleges.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1982-83 close to 76.76 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group.

Of the total amount of assistance provided as grants to dependent single students, 46.08 per cent was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 28.98 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. Moreover, some of these students (about 4090) who resided at their parents' homes while going to school also received supplementary allowances ranging from \$5 to \$15 per week of study in addition to the regular personal and living allowances applicable. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1982, is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

<u>Income Ranges</u>	<u>Per Cent of Families</u>
Under \$10 000	7.0
\$10 000 - \$11 999	3.4
\$12 000 - \$12 999	2.2
\$13 000 - \$13 999	2.2
\$14 000 - \$14 999	2.3
\$15 000 - \$15 999	1.3
\$16 000 - \$16 999	2.1
\$17 000 - \$17 999	1.7
\$18 000 - \$19 999	3.6
\$20 000 - \$21 999	4.0
\$22 000 - \$24 999	7.5
\$25 000 - \$29 999	10.7
\$30 000 - \$34 999	11.5
\$35 000 - \$39 999	9.5
\$40 000 and over	31.0
<u>Total</u>	<u>100.0</u>
Average income	34 021
Median income	30 888

It can be seen from Table 28 that approximately 50 per cent of the families in Ontario had incomes below \$30 888. This can be matched with the family income profile of the dependent single students who received assistance in 1982-83. For example, 77.73 per cent of the students who received grants in 1982-83 came from families with incomes below the median level.

Various factors affect the students' decision to enrol or continue in postsecondary study, and availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

Appendix 1: Tables

Table A: Ontario Student Assistance Program, Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds

<u>Fiscal Year</u>	<u>Ontario Study Grants</u>	<u>Ontario Student Loan Interest and Claims</u>	<u>Ontario Special Bursaries</u>	<u>Ontario Work Study Plan</u>	<u>Total</u>
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	-	86 423 755
1980-81	85 377 688 ¹	4 036 600	477 471	-	89 891 759
1979-80	84 009 164 ¹	1 373 440	409 394	-	85 791 998
1978-79	78 989 259 ¹	424 177	427 736	-	79 841 172
1977-78	66 491 360	284 529	427 880	-	67 203 769
1976-77	54 973 977	116 093	300 137	-	55 390 207
1975-76	49 117 077	29 448	208 583	-	49 355 108
1974-75	39 445 128	22 329 ²	141 648 ³	-	39 609 105
1973-74	31 238 657	-	-	-	31 238 657
1972-73	23 115 327	-	-	-	23 115 327
1971-72	28 882 135	-	-	-	28 882 135

1. Includes loan remission

2. Part-time Student Loans Program

3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipients

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients ³ (Grant and Loan)
1982-83	264 658	100 778
1981-82	247 533	81 180
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

³ Enrolled in Ontario universities and colleges, and also in private vocational schools, and other post-secondary institutions

Source: Ministry of Colleges and Universities,
Management Information Systems reports; Ministry of Colleges
and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

<u>Program Year</u>	<u>Total Awards Issued</u>	<u>Dependent Single Students - Number of Awards</u>	<u>Married Students - Number of Awards</u>	<u>Independent Single Students - Number of Awards</u>
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Grant Awards - Dollar Ranges

	1979-80	1980-81	1981-82	1982-83
Range of Award	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)
\$ 1 - 500	13.90	13.12	13.86	12.21
501 - 1000	18.19	17.93	16.31	15.42
1001 - 1500	17.48	16.21	16.70	15.70
1501 - 2000	25.11	24.00	15.22	14.45
2001 - 2500	12.83	10.82	18.23	17.96
2501 - 3000	9.51	10.99	9.32	8.49
3001 - 3500	2.08	5.06	7.26	8.38
3501 - 4000	0.58	1.21	1.99	4.60
Over \$4000	0.32	0.66	1.11	2.79
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Group

Student Group	1982-83	1981-82	1980-81	1979-80	1978-79
A	\$1182	\$1125	\$1229	\$1229	\$1253
B (single)	1833	1782	1635	1538	1796
B (married)	1317	1289	1338	1269	1234

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Grants Received by Dependent Students According to their Parental Gross Income Ranges

1982-83

Parental Gross Income Ranges	Grant Recipients (As % of Total)	Total Grants Assessed (As % of Total)	Average Grant/ Income Range
\$ 1 - \$8 000	14.20	27.70	\$2 308
8 001 - 9 000	2.19	4.26	2 300
9 001 - 10 000	2.45	4.71	2 278
10 001 - 11 000	2.51	4.70	2 211
11 001 - 12 000	2.55	4.71	2 186
12 001 - 13 000	2.63	4.67	2 097
13 001 - 14 000	2.54	4.35	2 023
14 001 - 15 000	2.90	4.54	1 853
15 001 - 16 000	2.91	4.42	1 798
16 001 - 17 000	2.80	3.97	1 678
17 001 - 18 000	3.02	3.89	1 523
18 001 - 19 000	2.83	3.35	1 400
19 001 - 20 000	3.01	3.19	1 254
20 001 - 25 000	15.17	11.64	908
25 001 - 30 000	14.17	5.74	479
30 001 - 35 000	10.79	2.56	281
35 001 - 40 000	7.10	1.07	179
Over \$40 000	6.23	0.53	100
Total	100.0	100.0	1 182

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of Parents of Dependent Students Eligible for Grants

	1979-80	1980-81	1981-82	1982-83
Parental Gross Asset Ranges	Per Cent of Students	Per Cent of Students	Per Cent of Students	Per Cent of Students
Less than \$1	5.27	6.45	6.92	7.27
\$ 1 - 80 000	77.24	72.90	67.71	65.28
80 001 - 100 000	8.37	9.39	10.83	10.92
100 001 - 120 000	3.77	4.40	5.57	6.25
120 001 - 140 000	1.89	2.39	3.20	3.67
140 001 - 160 000	1.27	1.48	1.88	2.23
160 001 - 180 000	0.71	0.78	1.16	1.33
180 001 - 200 000	0.51	0.57	0.70	0.79
200 001 - 220 000	0.44	0.43	0.53	0.54
220 001 - 240 000	0.26	0.29	0.33	0.37
240 001 - 260 000	0.21	0.25	0.26	0.30
260 001 - 280 000	0.03	0.13	0.17	0.18
280 001 - 300 000	0.02	0.10	0.13	0.16
Over \$300 000	0.01	0.44	0.61	0.71
Total	100.0	100.0	100.0	100.0

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students' Summer Earnings

Contribution Ranges	Per Cent of Students			
	1979-80	1980-81	1981-82	1982-83
Less than \$1	8.66	10.85	11.79	12.39
\$ 1 - 200	0.14	0.23	0.20	0.28
201 - 400	18.71	17.40	0.38	0.49
401 - 600	4.92	5.29	19.44	21.20
601 - 800	45.59	42.18	5.17	1.96
801 - 1 000	6.45	6.34	42.31	4.62
1 001 - 1 200	5.37	5.36	5.95	48.79
1 201 - 1 400	3.49	3.53	4.09	2.78
1 401 - 1 600	2.70	3.04	3.37	2.43
1 601 - 1 800	1.40	1.81	2.35	1.54
1 801 - 2 000	1.01	1.55	1.72	1.21
2 001 - 2 200	0.62	0.96	1.26	0.74
2 201 - 2 400	0.38	0.55	0.72	0.52
2 401 - 2 600	0.25	0.36	0.45	0.37
2 601 - 2 800	0.09	0.18	0.28	0.24
2 801 - 3 000	0.07	0.13	0.18	0.18
Over \$3 000	0.15	0.24	0.34	0.26
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Appendix 2: Charts

Chart A: Ontario Student Assistance Program, Total Expenditure

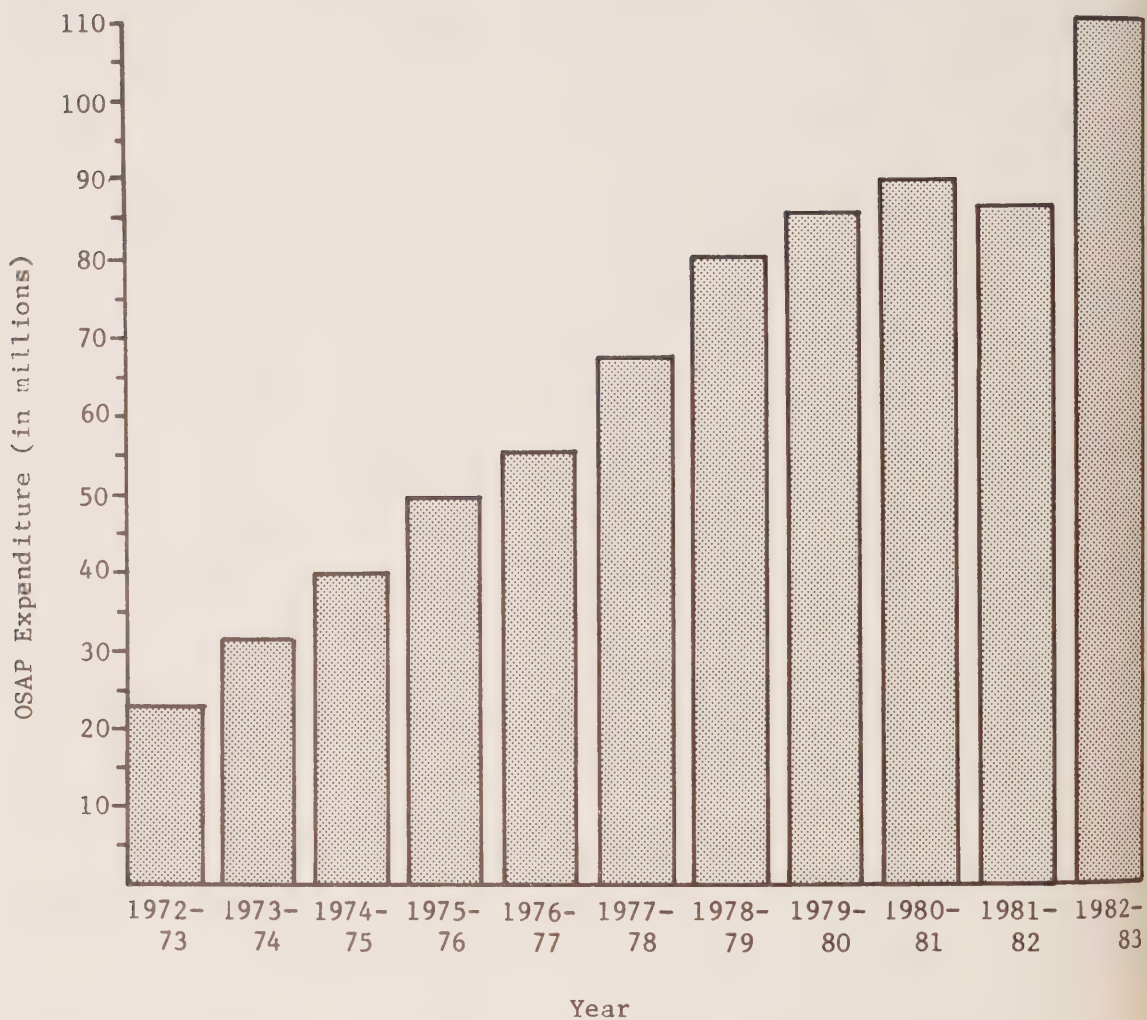
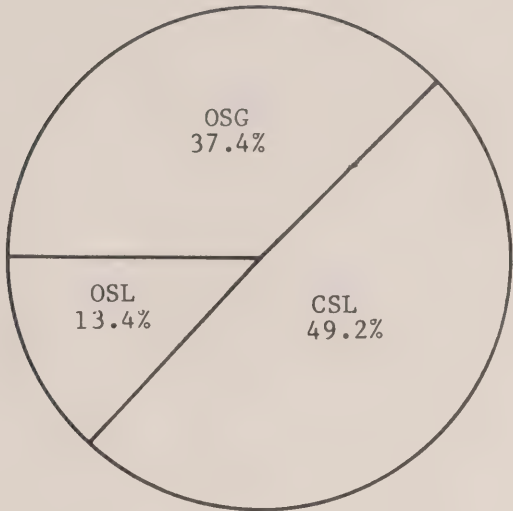
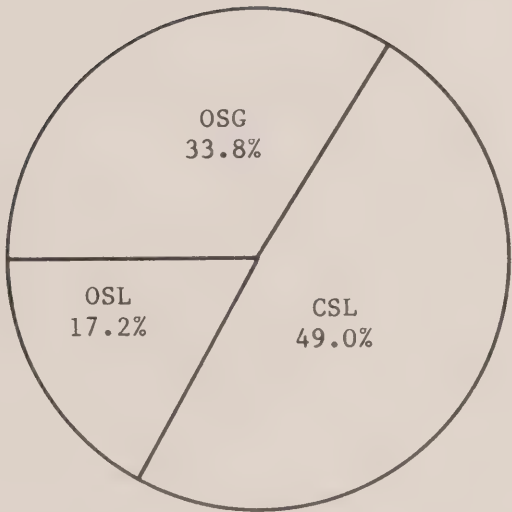


Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1981-82



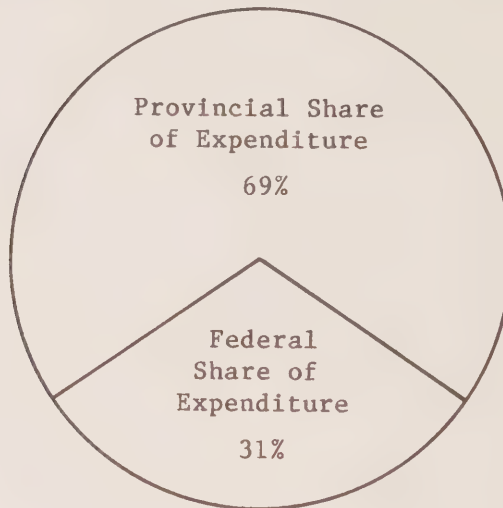
1982-83



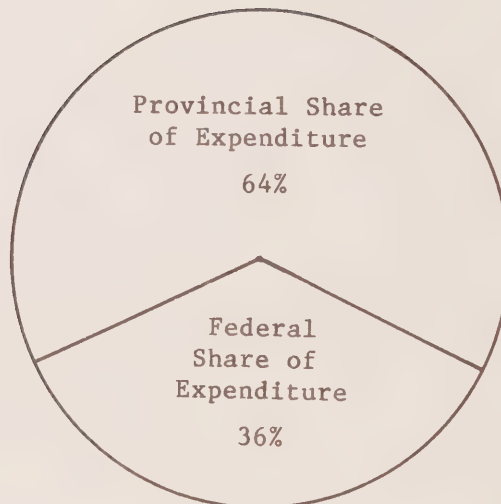
OSG: Ontario Study Grant
CSL: Canada Student Loan
OSL: Ontario Student Loan

Chart C: Ontario Student Assistance Program, Expenditure⁴ by
Federal and Provincial Governments

1981-82



1982-83



⁴Expenditure includes: Grants and bursaries, Interest on federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

Chart D: Ontario Student Assistance Program, Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients

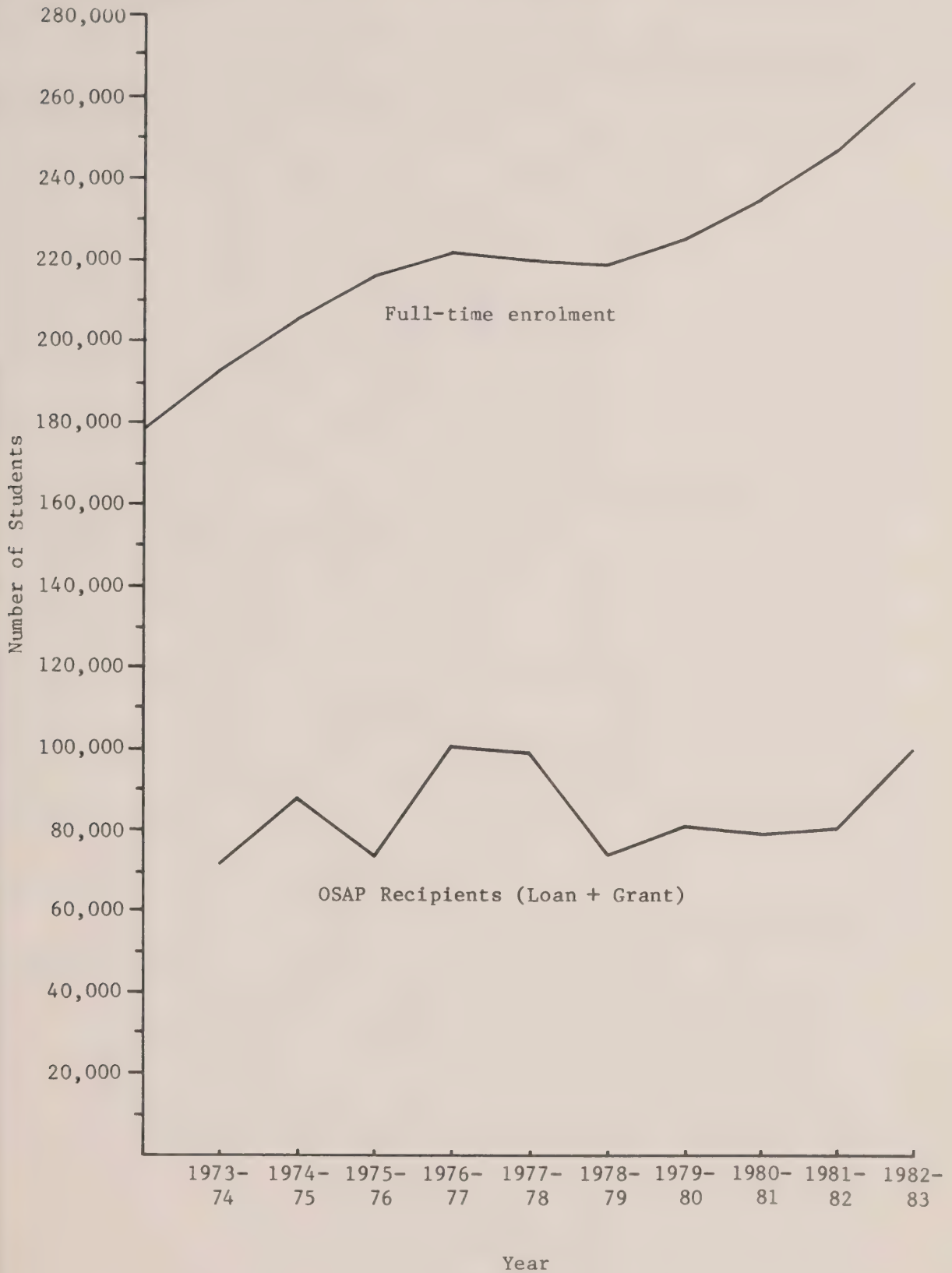
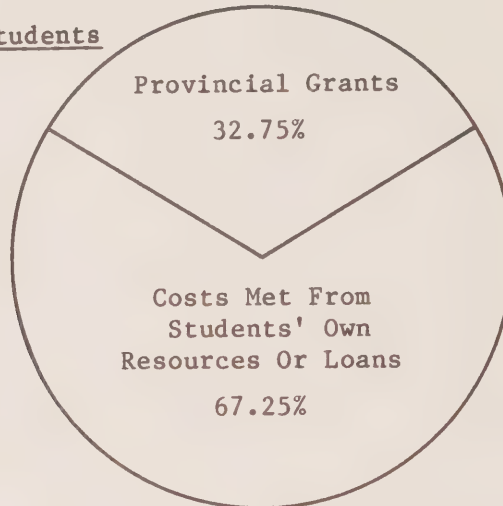
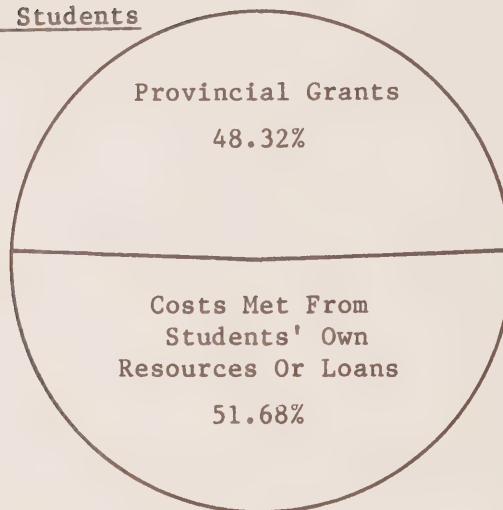


Chart E: Ontario Student Assistance Program, Costs of Students
Applying for Grants

Dependent Single Students



Independent Single Students



Married Students

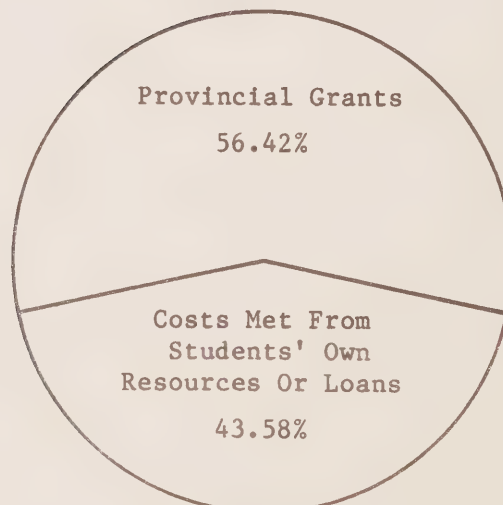
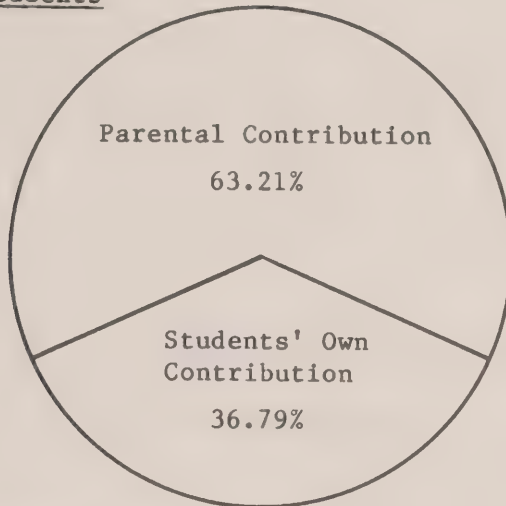
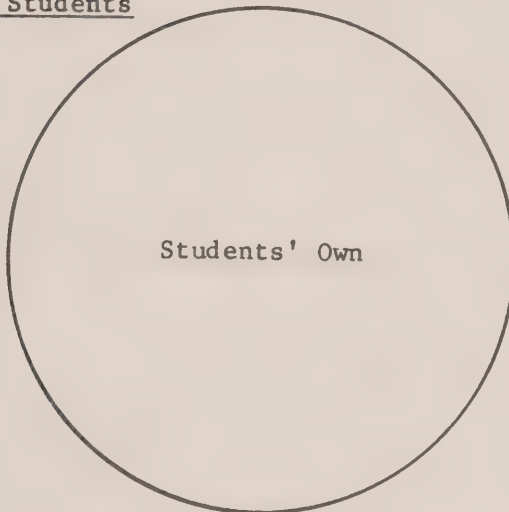


Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

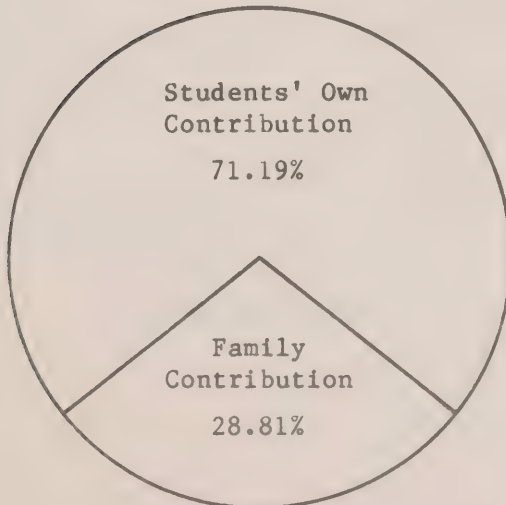


Chart G: Ontario Student Assistance Program, Grant Awards by Student Group

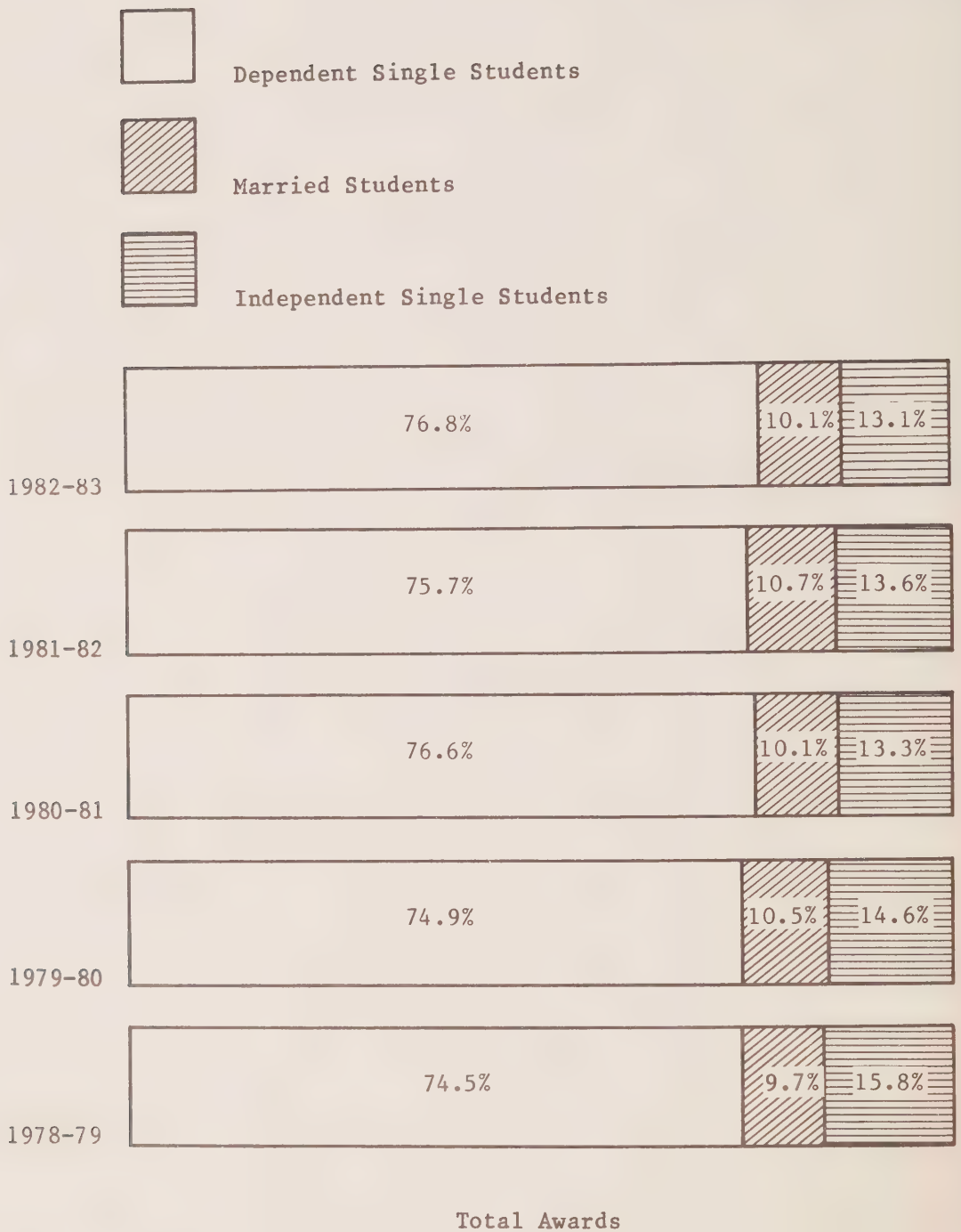
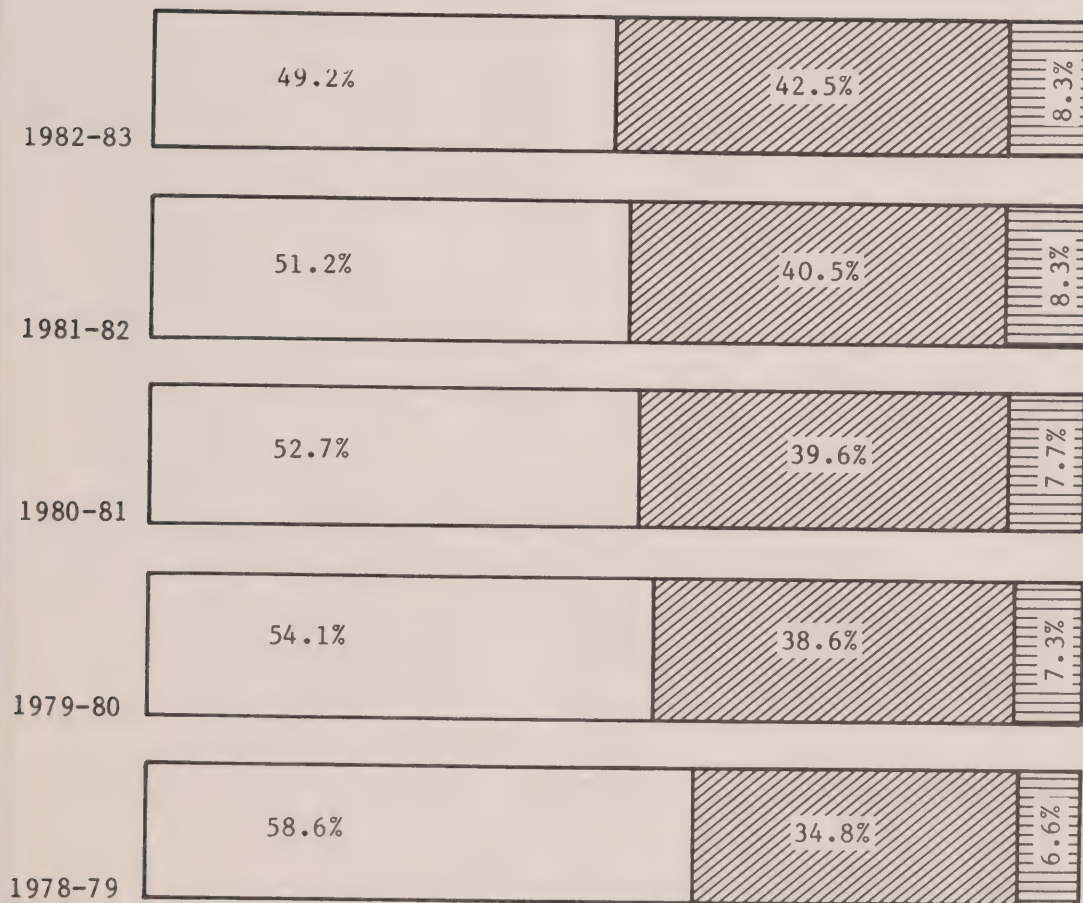
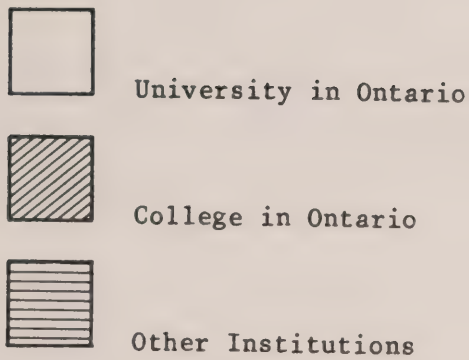


Chart H: Ontario Student Assistance Program, Grant Awards by Institution Type



Total Awards

Chart I: Ontario Student Assistance Program, Parental Gross Income of
Dependent Single Students Receiving Grants

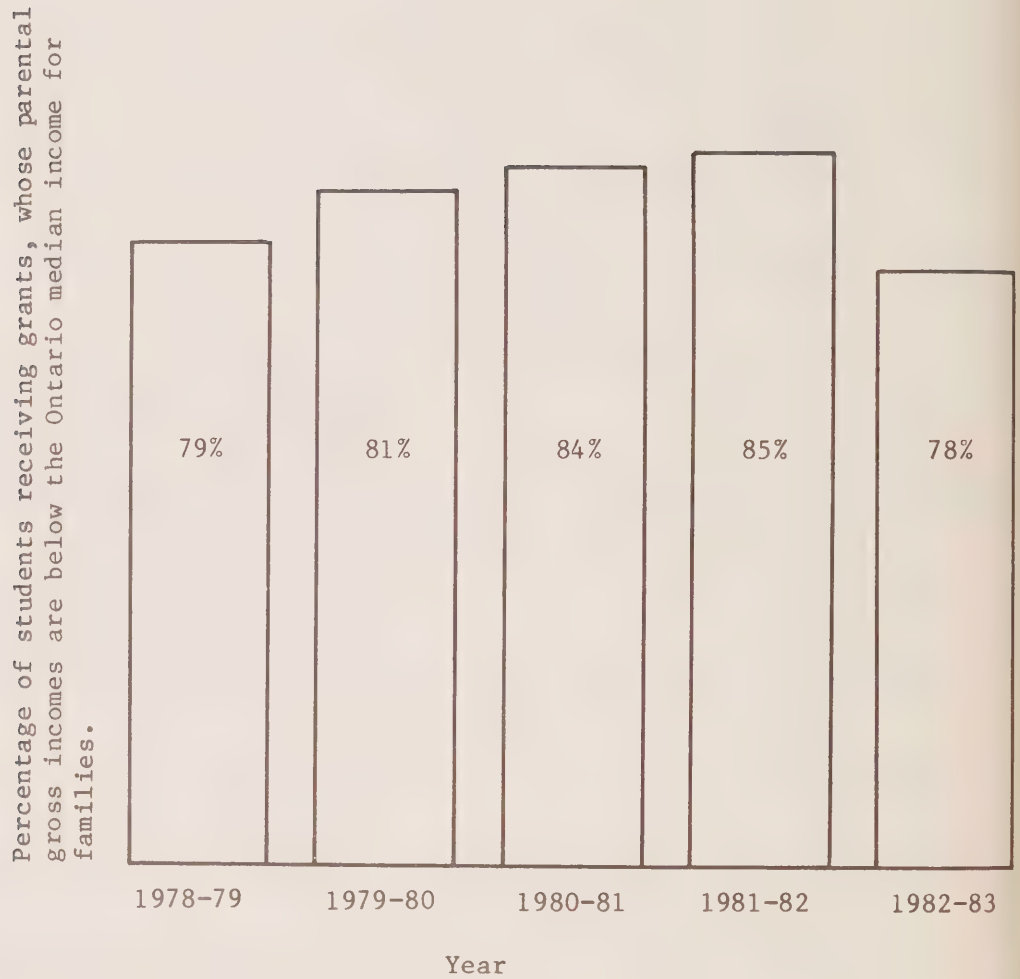
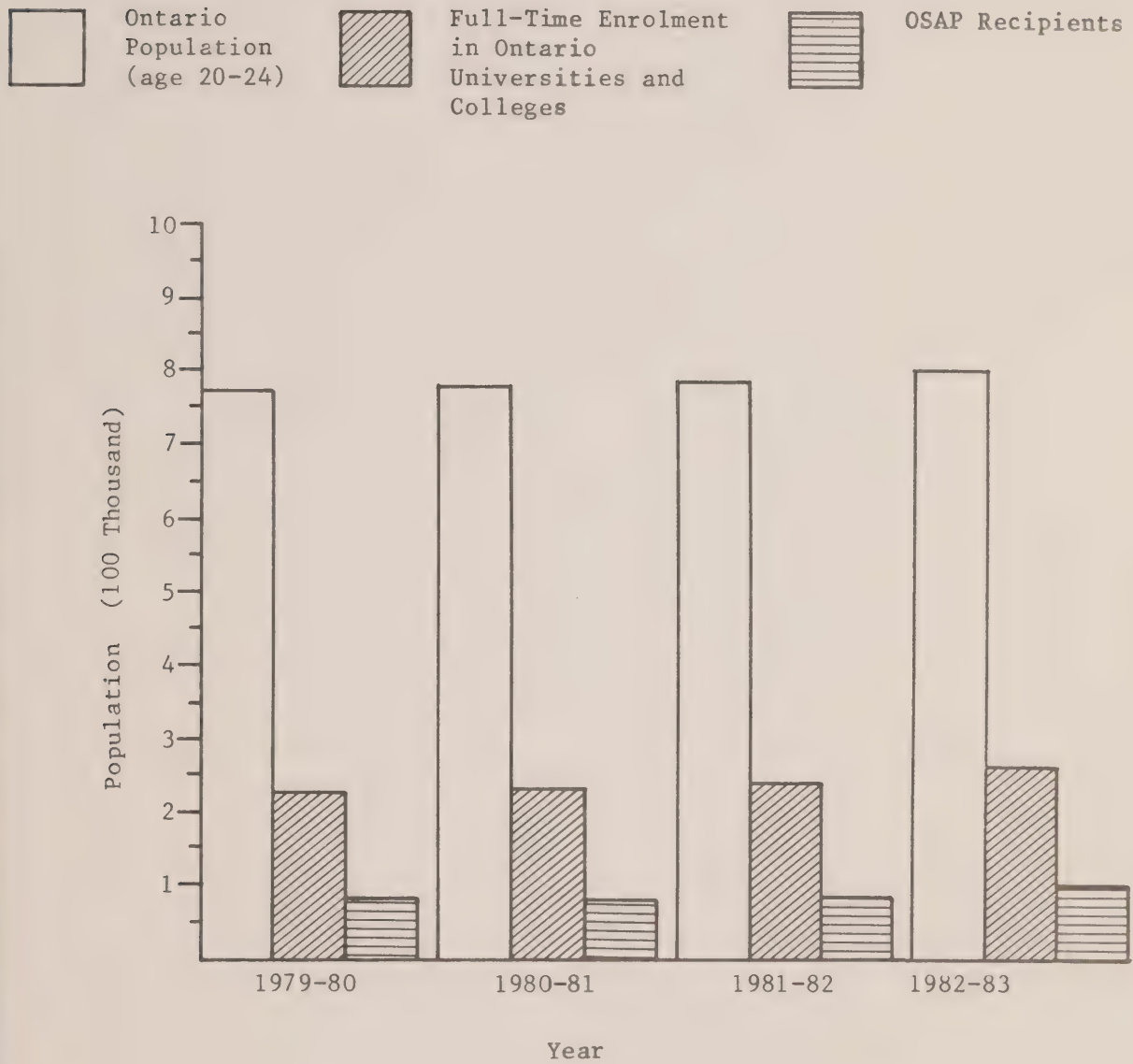


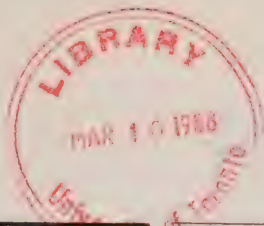
Chart J: Ontario Student Assistance Program, Ontario Population⁵ (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients



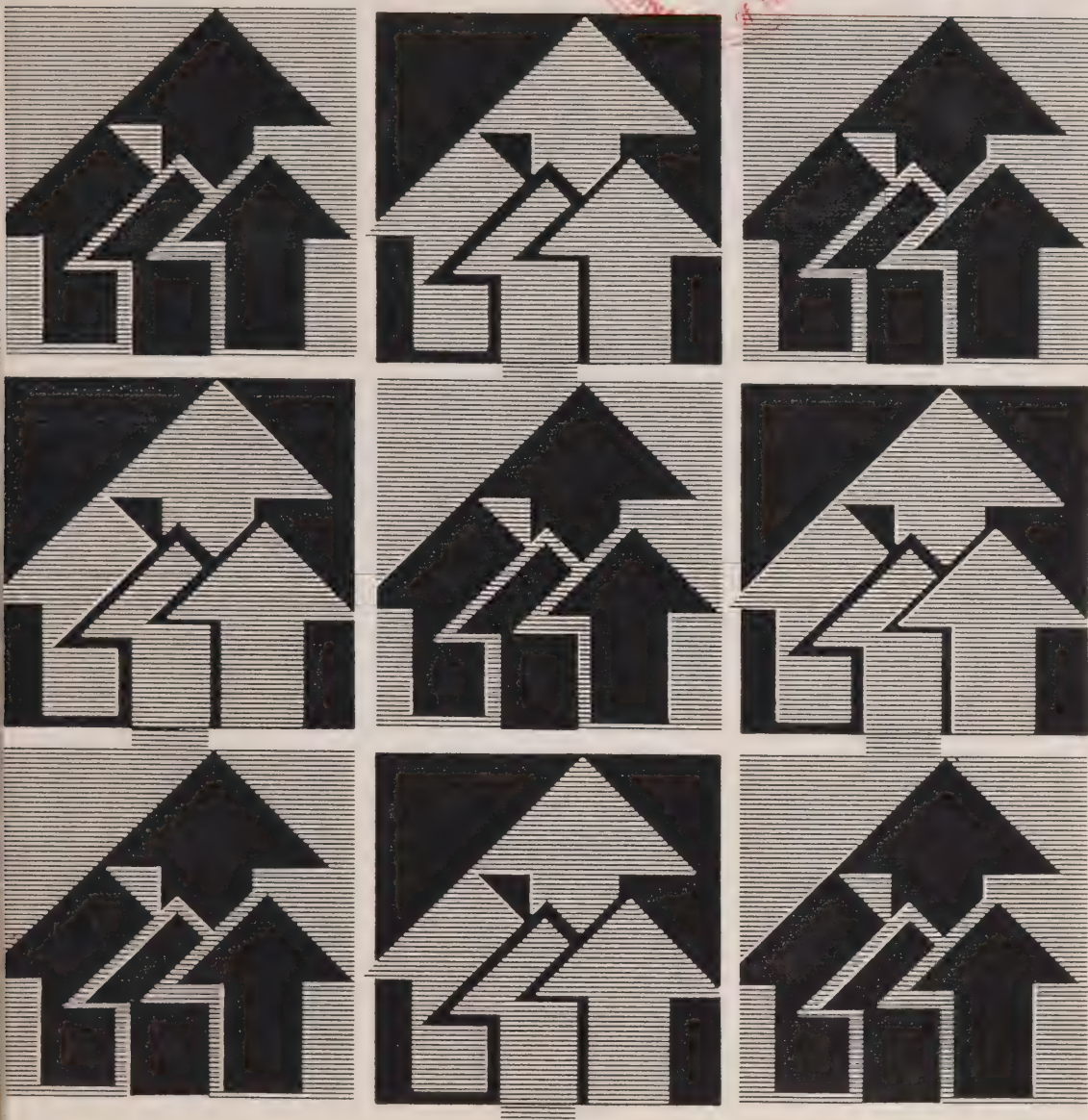
⁵Source: Ontario Statistics 1983

CA20N
DG/20
-R25
Ontario

The Honourable Gregory Sorbara, Minister
George R. Podrebarac, Deputy Minister



OSAP



Report of the Ontario Student Assistance Program 1983/1984

**Report of the
Ontario Student
Assistance Program
1983/1984**

This report provides an analysis and review of the Ontario Student Assistance Program for the academic year 1983-84. It is the sixth annual report on the program since the introduction of the Ontario Study Grant Plan.

The data for the report were extracted from the ministry's computer files where information provided on the student's application forms for assistance is stored. All amounts shown in this report are expressed in 'current dollars'. No allowance has been made for inflation. Additional information relating to the report may be obtained from the ministry, if it is readily available.

This report was compiled by the Student Awards Branch of the Ontario Ministry of Colleges and Universities. Requests for further information should be directed to S. (Raj) Rajagopal at 416-965-7191.

TABLE OF CONTENTS

	<u>Page</u>
Introduction	5
Summary	6
The Aid Recipients	8
Amount of Assistance Received	9
Students' Educational Costs and How They Were Met	12
Family Profile of Students Receiving Assistance	13
Study Level/Course Profile	14
Federal Assistance Provided to Students Under the Canada Student Loans Program	17
Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans	17
Ontario Special Bursary Plan and How It Meets the Financial Needs of Students Facing Special Circumstances	20
Ontario Work Study Plan	21
Effect That Assets Have on the Amount of Assistance Received	22
Role of the Appeal Board in the Program	23
The Ministry Verification of Information	23
Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools	24
Summary and Conclusion	25

TABLE OF CONTENTS (Con't.)

	<u>Page</u>
 Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds	27
B. Full-Time Enrolment and OSAP Recipients	28
C. Grant Awards by Student Group	29
D. Grant Awards - Dollar Ranges	30
E. Average Grant Awards by Student Group	31
F. Grants Received by Dependent Students According to their Parental Gross Income Ranges	32
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	33
H. Contribution from Students' Summer Earnings	34
 Appendix 2: Charts	
A. Total Expenditure	35
B. Breakdown of Total Assistance	36
C. Expenditure by Federal and Provincial Governments	37
D. Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	38
E. Costs of Students Applying for Grants	39
F. Resources of Students in Grant Assessments	40
G. Grant Awards by Student Group	41
H. Grant Awards by Institution Type	42
I. Parental Gross Income of Dependent Single Students Receiving Grants	43
J. Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	44

Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920's, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario, provincial grants were introduced in 1966 to supplement the federal loans. In 1978 the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and assessment of financial need. The Ontario Student Assistance Program consists presently of six plans. The Ontario Ministry of Colleges and Universities finances the Ontario Study Grants, Ontario Student Loans, Ontario Special Bursaries and the Ontario Work-Study Plan. The Secretary of State finances the full-time and part-time Canada Student Loans. This report deals primarily with the four provincially funded plans.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents in order that they have access to postsecondary education.

In order to meet this objective, assistance is provided in the form of non-repayable grants (for the first four years of postsecondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake postsecondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1983-84. It analyses the assistance provided under the program (to whom aid was given, in what form, etc.). It also reviews the program's operation in terms of its individual components and verification.

Wherever possible, comparative data are provided for earlier years. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to take out the first \$1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province.

In 1983-84 a student was classified as Group B (independent) for grant assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A

student was classified as Group B for loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had been out of secondary school for four full years. A student who did not meet the above criteria was classified as Group A (dependent).

Summary¹

The highlights of the program in 1983-84 are as follows:

- . During the academic year 1983-84², a total of 112 452 students received aid in the form of loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$358.78 million³; \$105.61 million of this was in the form of grants, and \$253.17 million in the form of loans (see Table 1, page 8).
- . Approximately 39 per cent of the total grants provided to dependent single students was received by students whose parents earned incomes less than \$10 001, and 80 per cent by students with parental incomes less than \$20 001.
- . Of all students in full-time enrolment in Ontario colleges and universities, 34.67 per cent received assistance under the Ontario Student Assistance Program. Of these, 28.22 per cent received a mix of grants and loans, and 6.45 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities increased by 1.6 per cent over that of the previous year. Grant awards increased by 10.66 per cent and loan awards by 11.58 per cent from 1982-83.
- . The average value of grants for the three main categories of students changed slightly in 1983-84: there was a 8.12 per cent decrease for dependent single students, a 1.75 per cent increase for independent single students, and a 3.80 per cent increase for married students (see Table 5, page 10).
- . The increase in the number of grant awards was mainly for students enrolled in private vocational schools (15.64 per

1. Detailed tables on the various distributions of these awards are provided as appendices to this report.

2. An academic year covers the period from July of one year to August of the following year (from September to the following April for most students), and overlaps two government fiscal years which run from April of each year to the following March.

3. Assistance consists of loans and grants provided to students and does not include the expenditure made on interest payments and defaults on loans.

cent); university and colleges of applied arts and technology students eligible for grants registered increases of 10.22 per cent and 10.55 percent respectively.

- . The number of dependent single students receiving grants increased by 12.37 per cent. The number of married students receiving grants recorded a marginal increase of 0.20 per cent. The increase in the number of independent single students receiving grants was 8.77 per cent.
- . Of the total grant awards, 52.23 per cent were made to female students and 47.77 per cent to male students (see Table 4, page 9).
- . Of the students enrolled in Ontario's universities, 42 542 received assistance in the form of grants or a mix of grants and loans. The breakdown of this enrolment was as follows: 40 622 in undergraduate programs; 131 in graduate programs; and 1789 in diploma, certificate, and other non-degree programs.
- . Of the students enrolled in Ontario's colleges, 36 746 received grants and/or loans. These students were enrolled in the following programs: 33 674 in diploma programs, 3052 in certificate programs, and 20 in other programs.
- . A large number of grant awards (47.71 per cent) fell in the \$1001 - \$2500 range. There was a slight decrease (0.41 per cent) in the number of awards in the \$1 - \$1000 range (see Table 9, page 11).
- . Students who were eligible to apply only for loans came mainly from three groups: independent single students (72.92 per cent), dependent single students attending schools away from their parental homes (9.13 per cent) and independent married students (9.56 per cent). Of the independent single students, 17.71 per cent had loans in the range of \$1 - \$2000, 17.97 per cent had loans in the range of \$2001 - \$3000, and 64.32 per cent had loans in the range of \$3001 and over.
- . A total of 741 students, an increase of 82.51 per cent from 1982-83, received funds under the Ontario Work Study Plan. This plan was introduced in 1982-83 as a pilot project to help students with special financial needs not met under the regular OSAP assessment. Of these, 58.97 per cent were dependent single students, 27.67 per cent independent single students, 4.32 per cent single parents and 9.04 per cent other married students (see Table 26, page 22).

The Aid Recipients

For the academic year 1983-84, a total of 86 930 grant awards were issued for a dollar value of \$105.61 million. In addition, 112 452 loans were issued for an amount of \$253.17 million, consisting of \$228.35 million in federal loans and \$24.82 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 1 shows

Table 1: Student Awards by Type (for 1982-83 refer to Chart B, page 36)

	Number of Awards		Dollar Value (in millions)	
Grants	86 930	(43.60%)	\$105.61	(29.44%)
Loans	112 452	(56.40%)	\$253.17	(70.56%)
Total	199 382		\$358.78	

There was a 10.66 per cent increase in the total number of grant awards issued in 1983-84. The increase in loan awards for the same period was 11.58 per cent.

Of the total grant awards issued in 1983-84, 42 542 were made to students attending universities in Ontario and 36 746 to students enrolled in Ontario colleges of applied arts and technology.

Of the total loan awards, 25 522 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1983-84. Out of the total loans issued 57 901 were to Ontario university students and 39 691 to college students. Table 2 presents a breakdown of loan and grant assistance.

Table 2: Student Awards by Type of Institution Attended

Institution Attended	Grants		Loans	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	42 542 (48.94%)	\$53.85 (50.99%)	57 901 (51.49%)	\$137.23 (54.20%)
College in Ontario	36 746 (42.27%)	\$43.73 (41.41%)	39 691 (35.30%)	70.72 (27.93%)
Other Institutions*	7 642 (8.79%)	\$8.03 (7.60%)	14 860 (13.21%)	\$45.22 (17.87%)
Total	86 930	\$105.61	112 452	\$253.17

* Other institutions include private vocational schools and other postsecondary institutions outside of Ontario.

The breakdown of loans and grants by the type of student is summarized in the following Table.

Table 3. Number (Per Cent) of Student Awards by Type of Student
(for grant awards since
1971 refer to Table C, page 29)

	Grants	Loans
Dependent single students	67 755 (77.94%)	71 162 (63.29%)
Independent single students	11 192 (12.88%)	29 802 (26.50%)
Married Students*	7 983 (9.18%)	11 488 (10.21%)
Total	86 930	112 452

*Included in the married students are 3684 single parents who received grant and loan assistance and 1066 single parents who were awarded loans only.

Of the grant awards 81 653 (93.93 per cent) were made to Canadian citizens, and the remainder (5277) to permanent residents (landed immigrants). With respect to loan awards, 105 131 (93.49 per cent) were issued to Canadian citizens, and 7321 to permanent residents.

During the academic year 1983-84, the percentage breakdown of female and male students receiving assistance has remained fairly consistent with previous years, as shown in Table 4.

Table 4: Students Receiving Assistance, Broken Down By Sex

	Grants		Loans	
	1982-83	1983-84	1982-83	1983-84
Male Students	37 447 (47.67%)	41 526 (47.77%)	49 507 (49.12%)	54 684 (48.63%)
Female Students	41 107 (52.33%)	45 404 (52.23%)	51 271 (50.88%)	57 768 (51.37%)
Total	78 554	86 930	100 778	112 452

Amount of Assistance Received

Of the total amount of grants, 69.75 per cent was received by the single students whose parental resources were taken into consideration in determining financial need; independent single students and married students received 19.87 per cent and 10.38

per cent respectively of the total grants. Table 5 shows the average grant assistance for the three groups of students and the percentage change from 1982-83.

Table 5: Average Grant Assistance by Type of Student

(for 1978 to present refer to Table E, page 31)	Average Grant		% change
	1982-83	1983-84	
Dependent single students	\$1182	\$1086	-8.12
Independent single students	\$1833	\$1865	+1.75
Married Students	\$1317	\$1367	+3.80

The drop in the average grant assistance to dependent single students is due mainly to the general increase in parental incomes and therefore in expected parental support. The average contribution from parental incomes increased by 23.8 per cent in 1983-84.

The average grant assistance to dependent single students shown in Table 5 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 65.86 per cent lived away from home during 1983-84. The corresponding percentage for 1982-83 was 65.95.

The award profile of students according to the type of institution they attended is shown in Table 6.

Table 6: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant		% change
	1982-83	1983-84	
University in Ontario	\$1364	\$1266	-7.18
College in Ontario	\$1236	\$1190	-3.72
Other Institutions	\$1094	\$1050	-4.02

Average grant awards for students at Ontario's postsecondary institutions have decreased in 1983-84. As noted above, the decrease is a result of the 23.8 per cent increase in contributions from parental incomes.

The figures for loans issued in 1983-84, are shown in Tables 7 and 8. The following are two possible reasons for the increases in average loans: (a) the cost/resource levels permitted in loan assessments are not stringent, and hence the financial need determined in loan assessments is high; (b) students who appeal for increased assistance because of special circumstances get additional support funds, generally in the form of loans.

Table 7: Average Loan Assistance by Type of Student

	1982-83	1983-84	% change
Dependent single students	\$1538	\$1641	+ 6.70
Independent single students	\$2602	\$3092	+18.83
Married Students	\$2660	\$3660	+37.59

Table 8: Average Loan Assistance by Type of Institution Attended

Institution Attended	Average Loan		% Change
	1982-83	1983-84	
University in Ontario	\$2138	\$2370	+10.85
College in Ontario	\$1627	\$1782	+ 9.53
Other Institutions	\$2203	\$3043	+38.13

There has been a general increase in loan assistance received by students in postsecondary institutions in Ontario. The primary reason for this is the generous levels of costs allowed in the loan assessment. The large increase in loans from students from other institutions is attributable to the high tuition fees charged by the private schools and the ceiling on grants which students from these schools can receive.

Table 9 shows the distribution of 'grant' awards for the two academic years 1982-83 and 1983-84.

Table 9: Distribution of 'grant' Awards by Value
(for 1980 to present refer to Table D, page 30)

Value of 'grant' Awards	Percentage of Recipients	
	1982-83	1983-84
\$ 1 - \$ 500	12.21	12.22
\$ 501 - \$1000	15.42	15.00
\$1001 - \$1500	15.70	15.43
\$1501 - \$2000	14.45	13.65
\$2001 - \$2500	17.96	18.63
\$2501 - \$3000	8.49	8.72
Over \$3000	15.77	16.35
Total	100.0	100.0

As Table 9 indicates there was no significant change in the distribution of grant awards by value in 1983-84.

In 1983-84 about 29 700 students who applied for assistance did not receive any awards because their resources were in excess of the costs calculated under the program.

The size of grant awards assessed during 1983-84 varied according to the individual circumstances of students applying for assistance. The grant awards ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Students' Educational Costs and How They Were Met

The total costs of students attending postsecondary institutions are made up of tuition fees, ancillary fees, book and equipment costs, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources to the extent needed to meet these costs. During 1983-84 student costs in the grant assessments consisted of 22.06 per cent for tuition fees, 58.81 per cent for food and accommodation, 10.66 per cent for books and equipment, and the balance (8.47 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 10. They reflect the general increase in costs for all students.

Table 10: Average Student Cost by Type of Student

	1982-83	1983-84	% Change
Dependent single students	\$3609	\$3690	+2.24
Independent single students	\$3793	\$3913	+3.16
Married Students	\$2334	\$2453	+5.10

The average student costs by type of institution attended are given in Table 11.

Table 11: Average Student Costs by Type of Institution Attended

	1982-83	1983-84	% Change
University in Ontario	\$3884	\$3970	+2.21
College in Ontario	\$3146	\$3269	+3.91
Other Institutions	\$3090	\$3191	+3.27

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school). For students attending Ontario's universities, the average tuition fee increase in 1983-84 was \$46. Tuition fee increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately \$29.

Approximately 66 per cent of the total educational costs of all students eligible for grants in 1983-84 was met out of the resources of the students and/or their families. The remaining 34 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the percentage of total costs met by non-repayable grants is as follows: for dependent single students - 29.31 per cent, for independent single students - 47.66 per cent and for married students - 55.73 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the student's own contribution (32.49 per cent) and a parental contribution (67.51 per cent). Parental contribution accounted for about 69.58 per cent of the total resources for students living away from home and 61.73 per cent for students living with parents while at school. The latter parents provided assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 65 percent of the dependent single students who received grant assistance in 1983-84 were from families with one or two children. The distribution of families by number of children is given in Table 12.

Table 12: Family Size of Dependent Single Students Receiving Grants

Number of children	% of Students
1	32.26
2	32.50
3	21.82
4	9.17
5+	4.25
Total	100.0

The grants received by dependent single students depended on their parental incomes and also on other factors such as the number of children in their family and, in particular, the number of children attending postsecondary institutions from their family. The average award for students whose parental incomes were \$15 000 or lower was \$2661, while the average award for those whose parents earned over \$30 000 was \$149. Table F summarizes the average grant per income range for 1982-83 and 1983-84.

Approximately 61 per cent of the total grant assistance provided to dependent single students was received by students whose parental incomes were \$15 000 or less. An additional 35 per cent was received by students whose parents earned between \$15 001 and \$30 000. About four per cent of the total grant funds reached students whose parents were earning in excess of

\$30 000. The actual amount of assistance depends on a 'need assessment' which takes into account the resources of the students and the costs they are expected to incur during the study period.

Statistics Canada's estimate of median⁴ income for families in Ontario for 1983 was \$32 832. Students who came from families below the median income received approximately \$71.68 million in grants, which represents 97.4 per cent of our total grants provided to dependent single students in 1983-84.

The majority of married students who received grants in 1983-84 (62.25 per cent) had a family gross income below \$10 001. Close to 35.96 per cent of married students had incomes below \$5001. Those with family incomes above \$10 000 accounted for 37.75 per cent of the total number of married students.

Study Level/Course Profile

The students who were assisted with grants in 1983-84 were, for the most part, enrolled in postsecondary courses of twenty-six to thirty-eight weeks duration. In addition, there was a significant group of students taking courses of ten to nineteen weeks in length (9.27 per cent), and a slightly larger number of students taking courses of more than thirty-eight weeks' duration (10.32 per cent). The grant recipients in 1983-84, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (%) by Type of Institution and Length of Course

Course Length	Per Cent In Ontario's Universities	Per Cent In Ontario's Colleges	Per Cent In Other Institutions
Less than 19 weeks	7.45	12.15	19.69
20 - 25 weeks	0.82	2.30	3.11
26 - 32 weeks	14.04	8.43	25.78
33 - 38 weeks	70.15	67.05	24.38
Over 38 weeks	7.54	10.07	27.04
Total	100.0	100.0	100.0

In the past five years there has been a general shift in the course length distributions has been from the "26 - 32 weeks" to "Over 38 weeks" categories. This shift represents a very

4. Median is a statistical term which indicates the value of a quantity that divides a given population in half. In this example the median family income in Ontario is \$32,832. Therefore half of the family incomes in Ontario are greater than \$32,832 and half are less.

slight increase in the program lengths of courses offered at the various postsecondary institutions in Ontario. In part, it could be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner, or the fact that many institutions have structured their programs to run throughout the year without a break in the summer in order to make effective use of the facilities available.

Universities in Ontario Because of the restriction on grants to the first four years of postsecondary study, most of the grant recipients in 1983-84 (95.49 per cent) were enrolled in undergraduate programs. About 4.42 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (70.15 per cent) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1983-84 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants,
By Type of Program

Faculty	Percentage of Students
Arts and Sciences	70.15
Engineering and Technology	9.80
Administration/Business	8.51
Health Sciences	4.96
Education and Social Work	3.43
Other	3.15
Total	100.0

Of the students who received only loans, 14.9 per cent were enrolled in graduate programs, and the remaining applicants (85.1 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (programs in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1983-84.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Other (cert. and diploma)
Arts and Sciences	45.99	46.79	48.65
Education and Social Work	11.40	10.14	16.05
Law	10.84	0.35	0.84
Engineering and Technology	9.60	5.37	13.51
Health Sciences	9.14	1.00	1.01
Administration/Business	4.79	24.42	12.33
Other	8.24	11.93	7.61
Total	100.0	100.0	100.0

Colleges in Ontario The programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1983-84 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants, by Type of Program

Faculty	Percentage of Students
Administration/Business	31.33
Engineering and Technology	24.33
Arts and Sciences	19.78
Health Sciences	13.69
Education and Social Work	8.16
Trades and Vocations	2.23
Other	0.48
Total	100.0

Table 17 shows the distribution of college students receiving only loans in 1983-84.

Table 17: Distribution of College Students Receiving only Loans, By Type of Program

Faculty	Percentage of Students	
	Diploma	Certificate
Engineering and Technology	27.60	11.72
Administration/Business	23.77	24.22
Health Sciences	23.47	24.22
Arts and Sciences	19.08	15.23
Education and Social Work	4.62	4.69
Other	1.46	19.92
Total	100.0	100.0

Federal Assistance Provided to Students Under the Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the aid plans under the The Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past seven years is shown in Table 18.

There was a large increase in the total Canada Student Loans assessed in 1983-84 and this is the result mainly of a change in the Canada Student Loan Act which almost doubled the maximum assistance which students could receive.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Eligible	Amount of Loans Issued (in millions)
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39
1981-82	81 180	\$101.91
1982-83	100 778	\$146.54
1983-84	112 452	\$228.35

The levels of costs and allowances under the Canada Student Loans Program are generally less stringent than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans, as required, to meet their additional expenses related to life style differences.

Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their course was less than twenty-six weeks, their programs of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at \$1800 from 1974 to 1983 in spite of annual

increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans now top off the federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. Table 19 illustrates the disbursement of provincially guaranteed loans since 1977-78.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95
1981-82	\$27.65
1982-83	\$51.34
1983-84	\$24.82

The steep increase in Ontario Student Loans in 1982-83 was due to a change in the tables for calculating the contribution from parental income which reduced the amount of money that parents were expected to contribute to the education of their daughter or son. As Ontario Student Loans supplement Canada Student Loans, there was a significant increase in the amount of Ontario Student Loans issued. The ceiling on the federal loans has since been increased to \$105 per week, and this accounts for the subsequent drop in Ontario Student Loans.

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks for guaranteed loans. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Claims

Year	Interest on Loans	Claims Paid Under Guarantee	
		Number	Amount
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76
1981-82	\$4 910 029.01	1493	\$2 276 193.99
1982-83	\$6 054 284.09	1159	\$2 282 985.91
1983-84	\$7 161 107.87	2161	\$4 731 173.13

Under the Ontario Student Assistance Program, 143 813 provincial loans have been negotiated since its inception and only 4.09 per cent of these loans have been claimed by banks as defaults. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a claim rate of 11.66 per cent.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once these amounts are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrowers. Quite a number of the defaulted loans are recovered from the students usually with a commitment to provide repayment over an agreed period of time in the future. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts collected were \$6010 in 1978-79, \$31 900 in 1979-80, \$119 200 in 1980-81, \$280 900 in 1981-82, \$372 270 in 1982-83 and \$519 751 in 1983-84.

The value of loans claimed since the inception of the Ontario Student Loans Plan is approximately \$11.4 million. These claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

In an attempt to reduce claims, students are advised, when they can be located, of the consequences of a loan default. As well as repaying the loan debt to a collection agency, other consequences include: no consideration for further assistance until one year after the full repayment of the debt and accumulated interest, and registration of the default with a credit bureau, thus affecting the individual's ability to obtain further credit.

Table 21: Student Loan Claims By Amount

Claim Ranges	Per Cent of Loan Accounts
\$ 1 - \$ 500	13.88
\$ 501 - \$1000	21.69
\$1001 - \$1500	14.37
\$1501 - \$2000	19.01
\$2001 - \$2500	12.28
\$2501 - \$3000	5.72
\$3001 - \$3500	3.18
\$3501 - \$4000	3.16
\$4001 and over	6.71
Total	100.0

As Table 21 shows, close to 70 per cent of the claims were in the less than \$2000 range.

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Death	1.53
Illness	2.11
Bankruptcy	3.65
Unemployment	13.11
Inability to locate/trace/contact student borrower	30.98
Unwillingness/Non-cooperation	38.19
Other miscellaneous reasons	10.43
Total	100.0

Ontario Special Bursary Plan and How It Meets the Financial Needs of Students Facing Special Circumstances

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist with special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past nine years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1981-82 to 1983-84 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1981-82	1982-83	1983-84
Number of students assisted	1 770	1 965	2 217
Total assistance provided	\$490 111	\$582 819	\$1 021 649
Average bursary award	\$ 277	\$ 297	\$ 461
Maximum bursary	\$ 1 200	\$ 1 200	\$ 1 200

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60 per cent course load or less. However, because of its suitability for students in skills-upgrading programs, students in such programs with a course load of over 60 per cent are also now permitted to apply for this program.

Of the total number of students who received bursary assistance in 1983-84, about 17 per cent were males and 83 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	Per Cent of Students
Single students	24.86
Single parents	62.83
Other married students	12.31
Total	100.0

Of all the bursary recipients, 87.87 per cent had no employment to report during the period of study. The remaining 12.13 per cent of bursary students had some kind of employment - 2.93 per cent were employed full-time, and 9.20 per cent reported part-time employment.

A large number of bursary recipients in 1983-84 (73.88 per cent) were receiving direct or indirect support of some kind from a government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	Per Cent of Students
Family Benefits allowances	46.95
General Welfare allowances	17.91
Unemployment insurance benefits	5.41
Other pension benefits	2.17
Penitentiary allowances	1.31
Rehabilitation benefits	0.13
Subtotal	73.88
Those receiving no support	26.12
Total	100.0

A large majority of the bursary recipients did not have any prior postsecondary education. Of the total bursary recipients 24.54 per cent had some postsecondary education. Another 7.35 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 58.1 per cent were single parents.

Ontario Work Study Plan

In 1982-83 a new plan called the Ontario Work Study Plan was introduced, on a pilot basis, as part of the Ontario Student Assistance Program. The objective of this plan is to provide the financially needy students with additional funds in the form of remuneration for work done, in order to help them meet

their special costs while at school without any excessive dependence on loans. This plan emphasizes the principle of self-help, and permits students to make up the shortfall in their expenses by working in or around the campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the local sponsors.

The expenditure for the program in the fiscal year 1983-84 was \$167 406 which represents a half share of the total outlay for the plan. The response to the plan has been enthusiastic from both students and the 33 postsecondary institutions which participated in the plan.

A breakdown of the recipients of Work Study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution and Student Group

Student Group	Colleges		Universities		Total	
	# of Recips.	As % of Total	# of Recips.	As % of Total	# of Recips.	As % of Total
Dependent single	186	62.21	251	56.79	437	58.97
Independent single	73	24.41	132	29.86	205	27.67
Married students	26	8.70	41	9.28	67	9.04
Single parents	14	4.68	18	4.07	32	4.32
Total	299	100.0	442	100.0	741	100.0

The circumstances which prompted these students to apply for work study funds were: lack of parental contribution (30.52 per cent), cash flow problems (12.2 per cent), lack of summer earnings (16.2 per cent), and special/exceptional costs faced while at school (10.0 per cent). Over 89 per cent of the students who received work study funds expressed satisfaction with the quality, rate of pay, hours of work and learning experience in the work study positions offered to them.

As the Ontario Work Study Plan gathers momentum, it is expected to play a significant role in complementing the other plans under the umbrella of the Ontario Student Assistance Program.

Effects that Assets Have on the Amount of Assistance Received

The policy on assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected based on the net value of the student's or family's assets when determining the student's financial need. Because of this contribution from

assets, funds available in the program could be directed to those students who needed assistance most. In 1983-84, 3703 students receiving grants had an expected contribution from parental assets, the average contribution being \$857 per student. The average contribution from the 654 married students with assets was \$720 per student. There were 3125 students receiving grants who had a contribution expected from their own assets, the average amount being \$557 per student.

Role of the Appeal Board in the Program

Students with unique circumstances that are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an Appeal Board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators.

During the 1983-84 academic year, 1175 appeals were handled by the Appeal Board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spousal refusal or inability to contribute. These appeals in 1983-84 resulted in the awarding of \$1 070 726 in additional grants and \$1 724 979 in additional loans to students. As an independent external body, the Appeal Board ensures equity in individual cases, and provides additional support funds when needed.

The Ministry Verification of Information

The main purpose of the Ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected at the ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the ministry. Files maintained at the awards offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the ministry fully preserves the confidentiality of the information provided.

In 1983-84, 14 041 selected files were examined in detail for accuracy of assessments as part of the general audit of student data. The results of this examination showed underpayments of \$217 298 and overpayments of \$4 706 705. A total of 8826 cases were involved in these adjustments.

Eighty-six cases were investigated for suspected fraud or misrepresentation. Ten cases were referred to the Ontario Provincial Police or the Royal Canadian Mounted Police. Four cases reached trial and convictions were reached in three.

Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1983-84, 36 private vocational schools qualified for participation in the grant plan.

During the year 1983-84, 5034 students enrolled in private vocational schools received grant assistance totalling \$5.02 million. The number of students who received grants in 1983-84 represents an increase of 15.64 per cent over that in the previous year. The average amount of grant assistance provided to these students in 1983-84 was \$997. Grant assistance to these students is restricted to a maximum of \$1000 per year. This explains why there has been a corresponding increase in the loan assistance received by these students.

Private vocational school students who received grant assistance in 1983-84 were enrolled mainly in engineering and technology, trades and vocations, and administration or business programs. The participation of students attending private vocational schools in Ontario for 1982-83 and 1983-84 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	1982-83		1983-84	
	Grants	Loans	Grants	Loans
Number of Students receiving aid	4353	5677	5034	6698
Total value of aid received (in millions)	\$4.34	\$15.49	\$5.02	\$23.69

Summary and Conclusion

In its sixth year of operation, the Ontario Study Grant Plan has promoted accessibility to postsecondary education for Ontario residents by providing 86 930 students with a total of \$105.61 million as need-based, non-repayable grants. In addition, federally guaranteed loans of \$228.35 million and provincially guaranteed loans for \$24.82 million were also issued to students in 1983-84. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 112 452 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1983-84 constituted 34.67 per cent of the total full-time enrolment in Ontario's universities and colleges (See Table B).

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1983-84 over 77 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group.

Of the total amount of assistance provided as grants to dependent single students, almost half (48.07 per cent) was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 25.64 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. Moreover, some of these students (4160) who resided at their parents' homes while going to school also received supplementary allowances ranging from \$5 to \$15 per week of study in addition to the regular personal and living allowances applicable. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1983 is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families
Under \$10 000	6.0
\$10 000 - \$11 999	2.5
\$12 000 - \$12 999	1.6
\$13 000 - \$13 999	2.2
\$14 000 - \$14 999	2.0
\$15 000 - \$15 999	2.0
\$16 000 - \$16 999	1.7
\$17 000 - \$17 999	1.9
\$18 000 - \$19 999	3.5
\$20 000 - \$21 999	3.6
\$22 000 - \$24 999	6.6
\$25 000 - \$29 999	10.7
\$30 000 - \$34 999	10.1
\$35 000 - \$39 999	10.0
\$40 000 and over	35.6
Total	100.0
Average income	\$37 473
Median income	\$32 832

It can be seen from Table 28 that approximately 50 per cent of the families in Ontario had incomes below \$32 832. This can be matched with the family income profile of the dependent single students who received assistance in 1983-84. For example, 77.49 per cent of the students who received grants in 1983-84 came from families with incomes below the median level.

Various factors affect the student's decision to enrol or continue in postsecondary study; availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

Appendix 1: TablesTable A: Ontario Student Assistance Program, Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Ontario Work Study Plan	Total
1983-84	106 843 710	11 892 281	1 021 649	167 406	119 925 046
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	-	86 423 755
1980-81	85 377 688 ¹	4 036 600	477 471	-	89 891 759
1979-80	84 009 164 ¹	1 373 440	409 394	-	85 791 998
1978-79	78 989 259 ¹	424 177	427 736	-	79 841 172
1977-78	66 491 360	284 529	427 880	-	67 203 769
1976-77	54 973 977	116 093	300 137	-	55 390 207
1975-76	49 117 077	29 448	208 583	-	49 355 108
1974-75	39 445 128	22 329 ²	141 648 ³	-	39 609 105
1973-74	31 238 657	-	-	-	31 238 657
1972-73	23 115 327	-	-	-	23 115 327
1971-72	28 882 135	-	-	-	28 882 135

1. Includes loan remission
2. Part-time Student Loans Program
3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipients

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients ⁴ (Grant and Loan)
1983-84	278 416	112 452
1982-83	264 658	100 778
1981-82	247 533	81 180
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

⁴ Enrolled in Ontario universities and colleges, and also in private vocational schools, and other postsecondary institutions.

Source: Ministry of Colleges and Universities, Management Information Systems r
Ministry of Colleges and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

Program Year	Total Awards Issued	Dependent Single Students - Number of Awards	Married Students - Number of Awards	Independent Single Students - Number of Awards
1983-84	86 930	67 755 (77.9%)	7 983 (9.2%)	11 192 (12.9%)
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Grant Awards - Dollar Ranges

	1980-81	1981-82	1982-83	1983-84
Range of Award	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)
\$ 1 - 500	13.12	13.86	12.21	12.22
501 - 1000	17.93	16.31	15.42	15.00
1001 - 1500	16.21	16.70	15.70	15.43
1501 - 2000	24.00	15.22	14.45	13.65
2001 - 2500	10.82	18.23	17.96	18.63
2501 - 3000	10.99	9.32	8.49	8.72
3001 - 3500	5.06	7.26	8.38	7.98
3501 - 4000	1.21	1.99	4.60	5.08
Over \$4000	0.66	1.11	2.79	3.29
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Group

Student Group	1979-80	1980-81	1981-82	1982-83	1983-84*
A	\$1229	\$1229	\$1125	\$1182	\$1086
B (single)	1538	1635	1782	1833	1865
B (married)	1269	1338	1289	1317	1367

* refer to Table 5, page 10 for a discussion of the 1983-84 figures

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Grants Received by Dependent Students According to their Parental Gross Income Ranges

1982-83 and 1983-84

Parental Gross Income Ranges	Grant Recipients (as % of Total)		Total Grants Assessed (as % of Total)		Average Grants/ Income Range	
	1982-83	1983-84	1982-83	1983-84	1982-83	1983-84
\$ 1 - \$8 000	14.20	13.29	27.70	29.36	\$2 308	\$2 401
8 001 - 9 000	2.19	2.18	4.26	4.66	2 300	2 320
9 001 - 10 000	2.45	2.10	4.71	4.54	2 278	2 354
10 001 - 11 000	2.51	2.28	4.70	4.67	2 211	2 225
11 001 - 12 000	2.55	2.37	4.71	4.84	2 186	2 221
12 001 - 13 000	2.63	2.36	4.67	4.61	2 097	2 122
13 001 - 14 000	2.54	2.41	4.35	4.40	2 023	1 989
14 001 - 15 000	2.90	2.55	4.54	4.38	1 853	1 866
15 001 - 16 000	2.91	2.82	4.42	4.61	1 798	1 777
16 001 - 17 000	2.80	2.76	3.97	4.04	1 678	1 591
17 001 - 18 000	3.02	2.66	3.89	3.52	1 523	1 438
18 001 - 19 000	2.83	2.79	3.35	3.27	1 400	1 272
19 001 - 20 000	3.01	2.79	3.19	3.13	1 254	1 220
20 001 - 25 000	15.17	13.73	11.64	10.51	908	832
25 001 - 30 000	14.17	13.88	5.74	5.47	479	428
30 001 - 35 000	10.79	11.47	2.56	2.38	281	226
35 001 - 40 000	7.10	8.43	1.07	1.02	179	131
Over \$40 000	6.23	9.13	0.53	0.59	100	69
Total	100.0	100.0	100.0	100.0	1 182	1 086

* refer to Table 5, page 10 for a discussion of the 1983-84 figures

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of Parents of Dependent Students Eligible for Grants*

	1980-81	1981-82	1982-83	1983-84
Parental Gross Asset Ranges	Per Cent of Students	Per Cent of Students	Per Cent of Students	Per Cent of Students
Less than \$1	6.45	6.92	7.27	7.60
\$ 1 - 80 000	72.90	67.71	65.28	63.38
80 001 - 100 000	9.39	10.83	10.92	11.59
100 001 - 120 000	4.40	5.57	6.25	6.51
120 001 - 140 000	2.39	3.20	3.67	3.86
140 001 - 160 000	1.48	1.88	2.23	2.43
160 001 - 180 000	0.78	1.16	1.33	1.42
180 001 - 200 000	0.57	0.70	0.79	0.84
200 001 - 220 000	0.43	0.53	0.54	0.57
220 001 - 240 000	0.29	0.33	0.37	0.37
240 001 - 260 000	0.25	0.26	0.30	0.31
260 001 - 280 000	0.13	0.17	0.18	0.21
280 001 - 300 000	0.10	0.13	0.16	0.15
Over \$300 000	0.44	0.61	0.71	0.76
Total	100.0	100.0	100.0	100.0

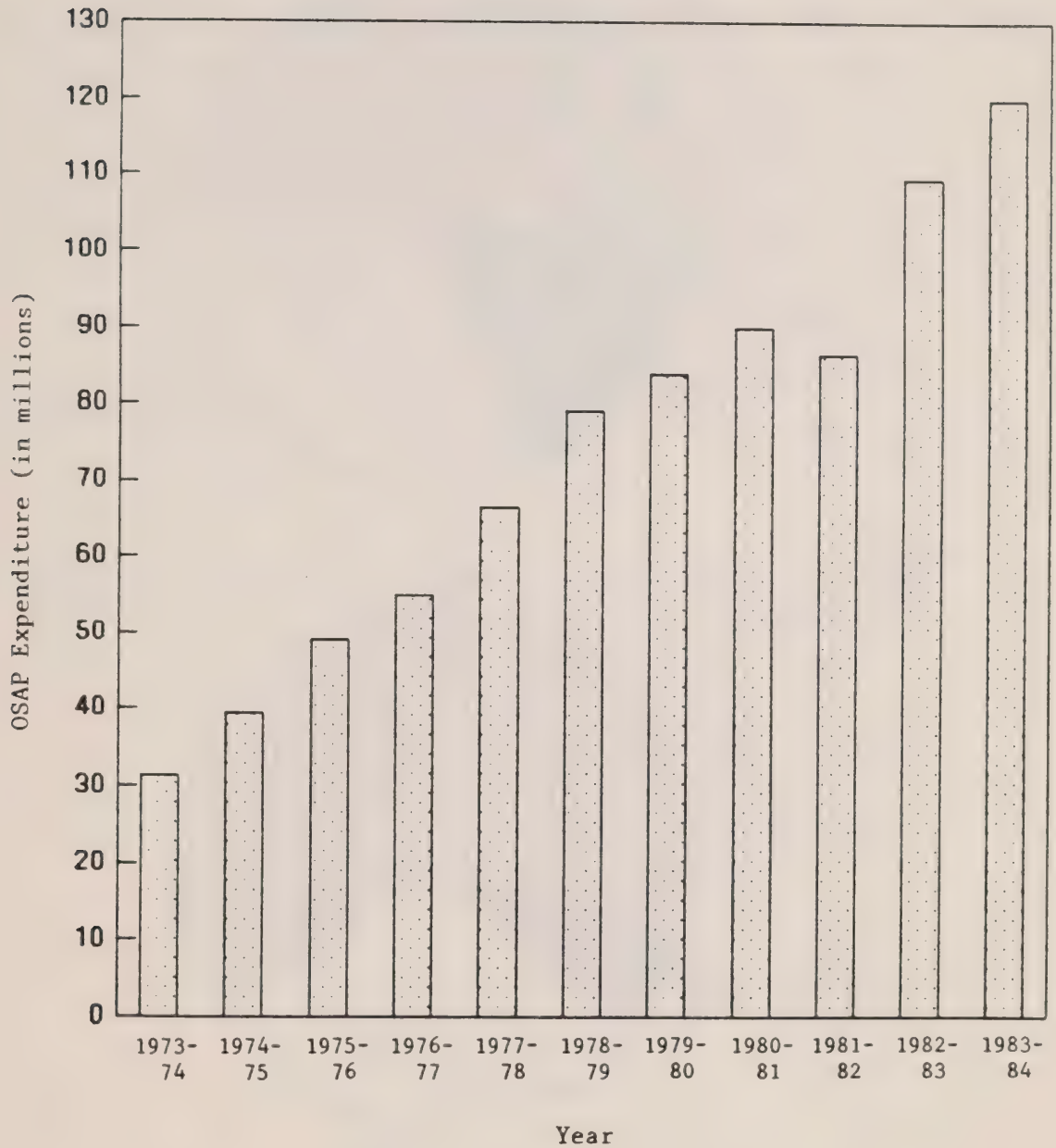
* refer also to "Effect that Assets Have on the Amount of Assistance Received"
(page 22)

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students'
Summer Earnings

Contribution Ranges	Per Cent of Students			
	1980-81	1981-82	1982-83	1983-84
Less than \$1	10.85	11.79	12.39	12.72
\$ 1 - 200	0.23	0.20	0.28	0.29
201 - 400	17.40	0.38	0.49	0.55
401 - 600	5.29	19.44	21.20	21.35
601 - 800	42.18	5.17	1.96	1.86
801 - 1 000	6.34	42.31	4.62	6.70
1 001 - 1 200	5.36	5.95	48.79	47.23
1 201 - 1 400	3.53	4.09	2.78	2.49
1 401 - 1 600	3.04	3.37	2.43	2.02
1 601 - 1 800	1.81	2.35	1.54	1.41
1 801 - 2 000	1.55	1.72	1.21	1.12
2 001 - 2 200	0.96	1.26	0.74	0.73
2 201 - 2 400	0.55	0.72	0.52	0.51
2 401 - 2 600	0.36	0.45	0.37	0.38
2 601 - 2 800	0.18	0.28	0.24	0.22
2 801 - 3 000	0.13	0.18	0.18	0.17
Over \$3 000	0.24	0.34	0.26	0.25
Total	100.0	100.0	100.0	100.0

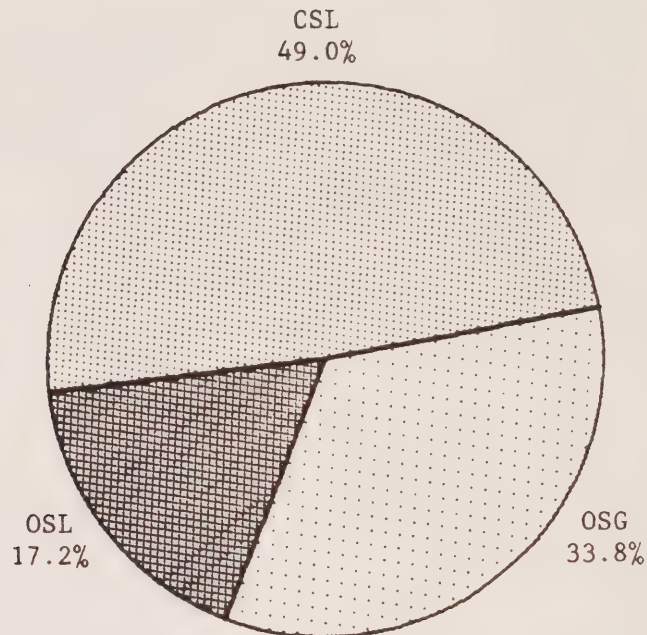
Source: Ministry of Colleges and Universities, statistical reports

Appendix 2: ChartsChart A: Ontario Student Assistance Program, Total Expenditure*

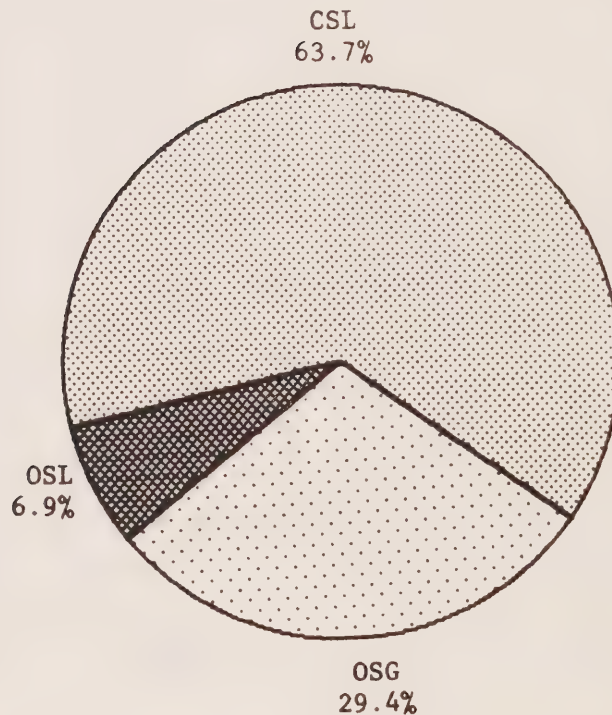
* refer to Table A, page 27 for exact amounts.

Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1982-83



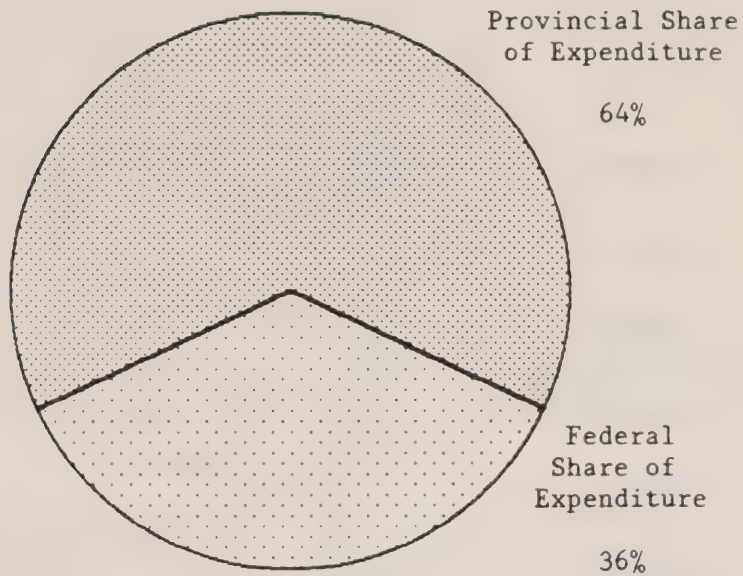
1983-84



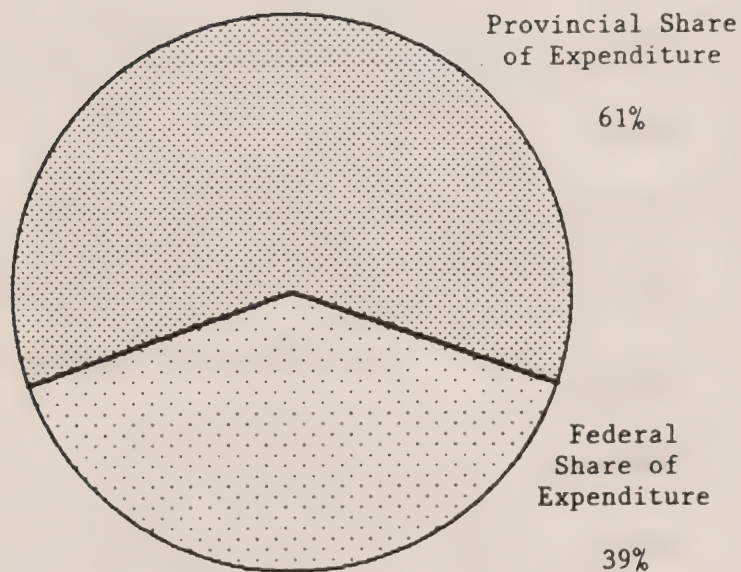
- OSG: Ontario Study Grant (refer to Table 5, page 10 for a discussion of 1983/84 figures)
- CSL: Canada Student Loan (refer to Table 7, page 11 and Table 18, page 17 for a discussion of 1983/84 figures)
- OSL: Ontario Student Loan (refer to Table 19, page 18 for a discussion of 1983/84 figures)

Chart C: Ontario Student Assistance Program, Expenditure⁵ by
Federal and Provincial Governments

1982-83



1983-84



⁵Expenditure includes: Grants and bursaries, Interest on Federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

Chart D: Ontario Student Assistance Program, Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients

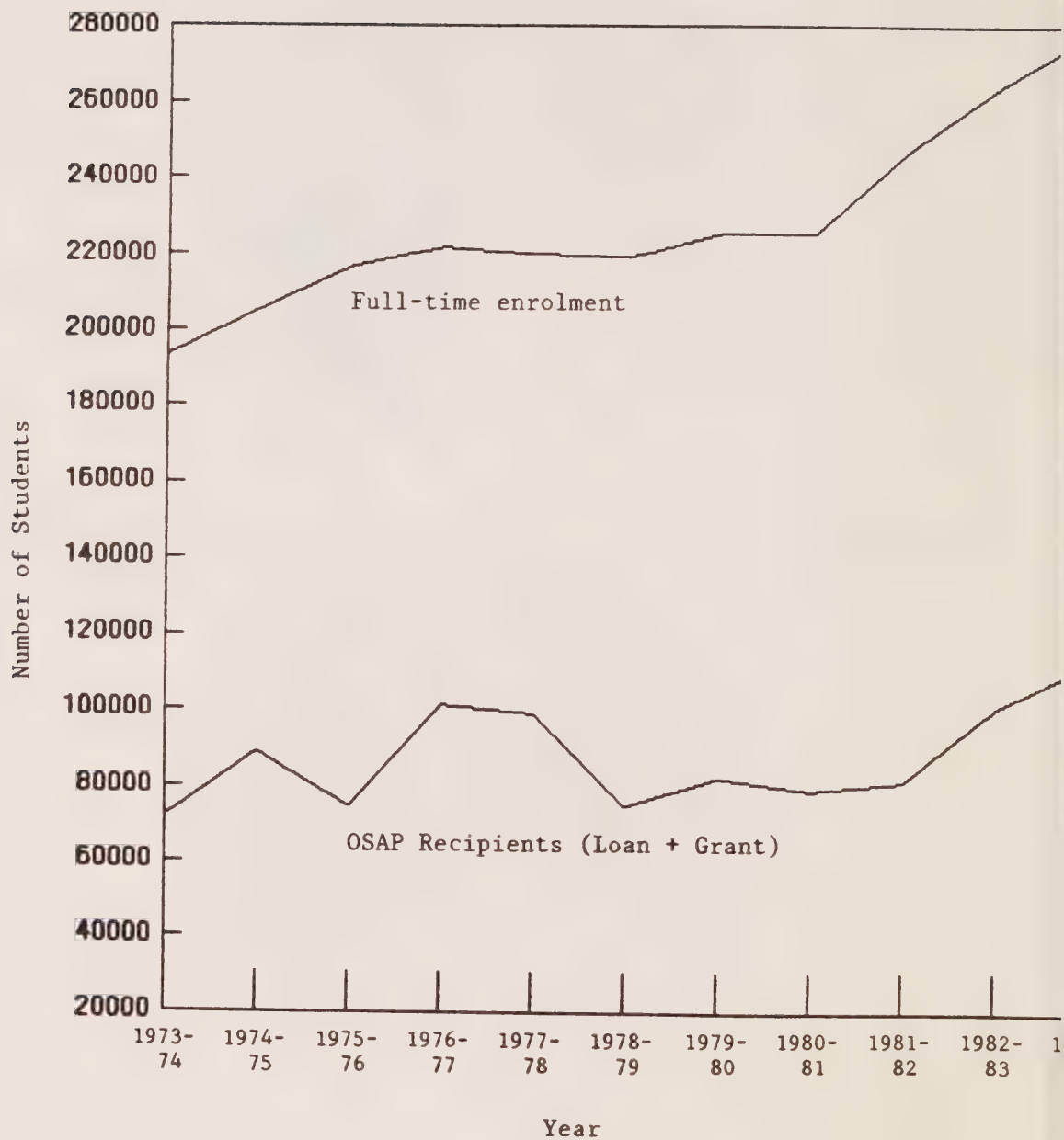
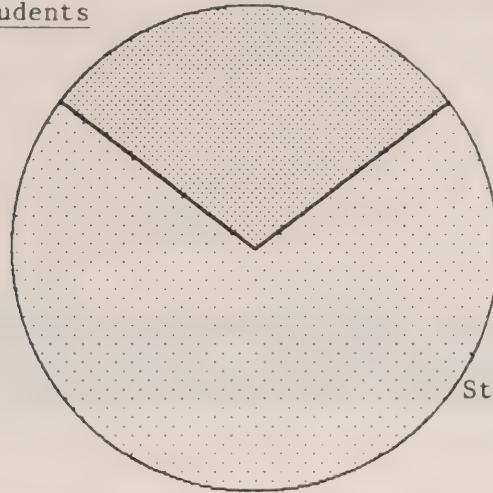


Chart E: Ontario Student Assistance Program, Costs of Students
Applying for Grants

Dependent Single Students



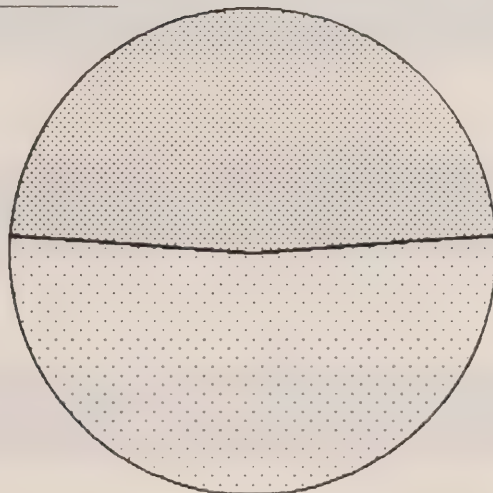
Provincial Grants

29.31%

Costs Met From
Students' and Parents'
Resources or Loans

70.69%

Independent Single Students



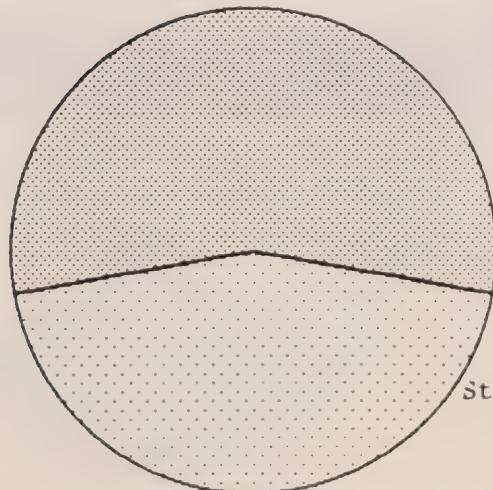
Provincial Grants

47.66%

Costs Met From
Students' Own
Resources or Loans

52.34%

Married Students



Provincial Grants

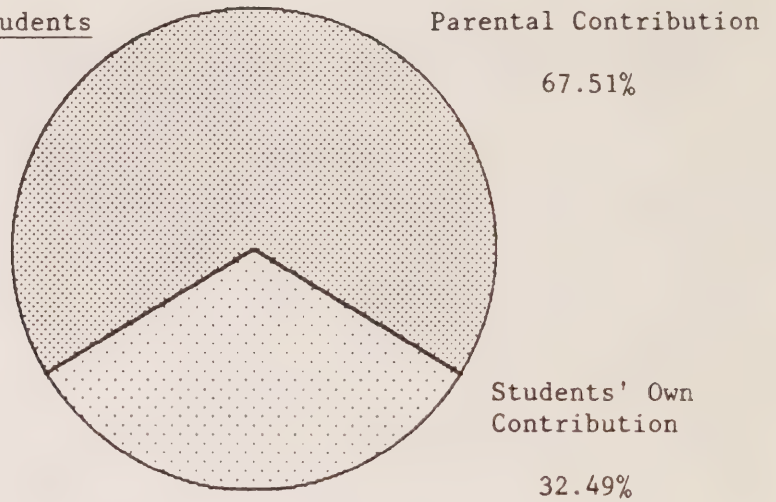
55.73%

Costs Met From
Students' and Spouses'
Resources or Loans

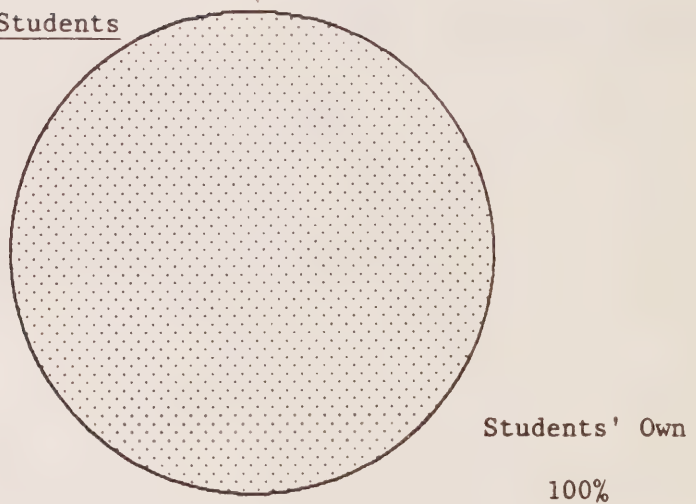
44.27%

Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

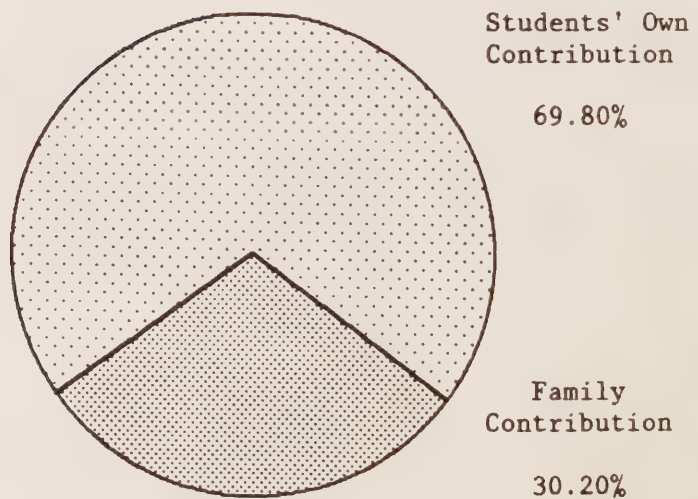
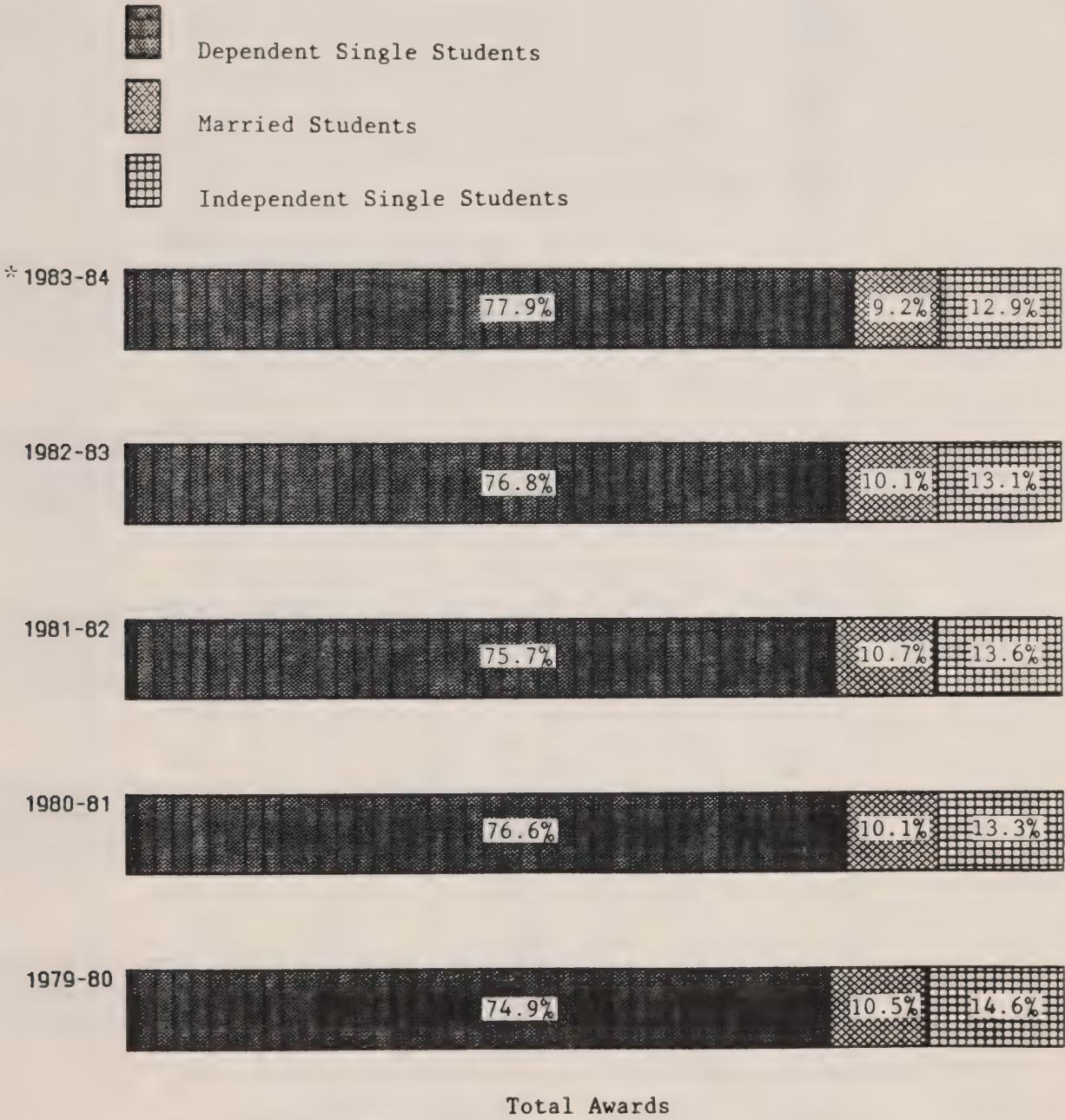
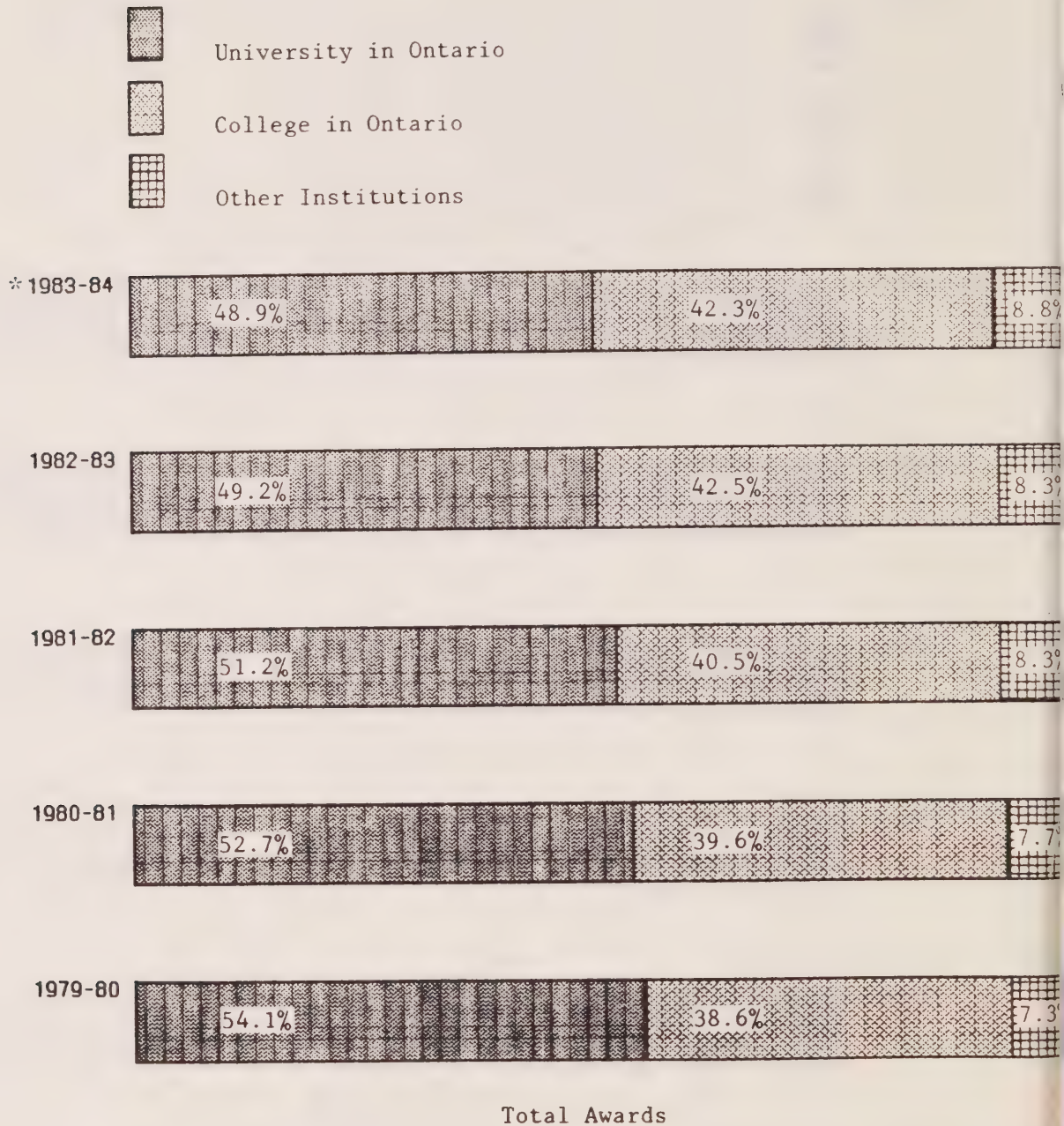


Chart G: Ontario Student Assistance Program, Grant Awards by Student Group



* refer to Table 3, page 9 for actual 1983-84 figures.

Chart H: Ontario Student Assistance Program, Grant Awards by Institution Type



* refer to Table 2, page 8 for actual 1983-84 figures.

Chart I: Ontario Student Assistance Program, Parental Gross Income of
Dependent Single Students Receiving Grants*

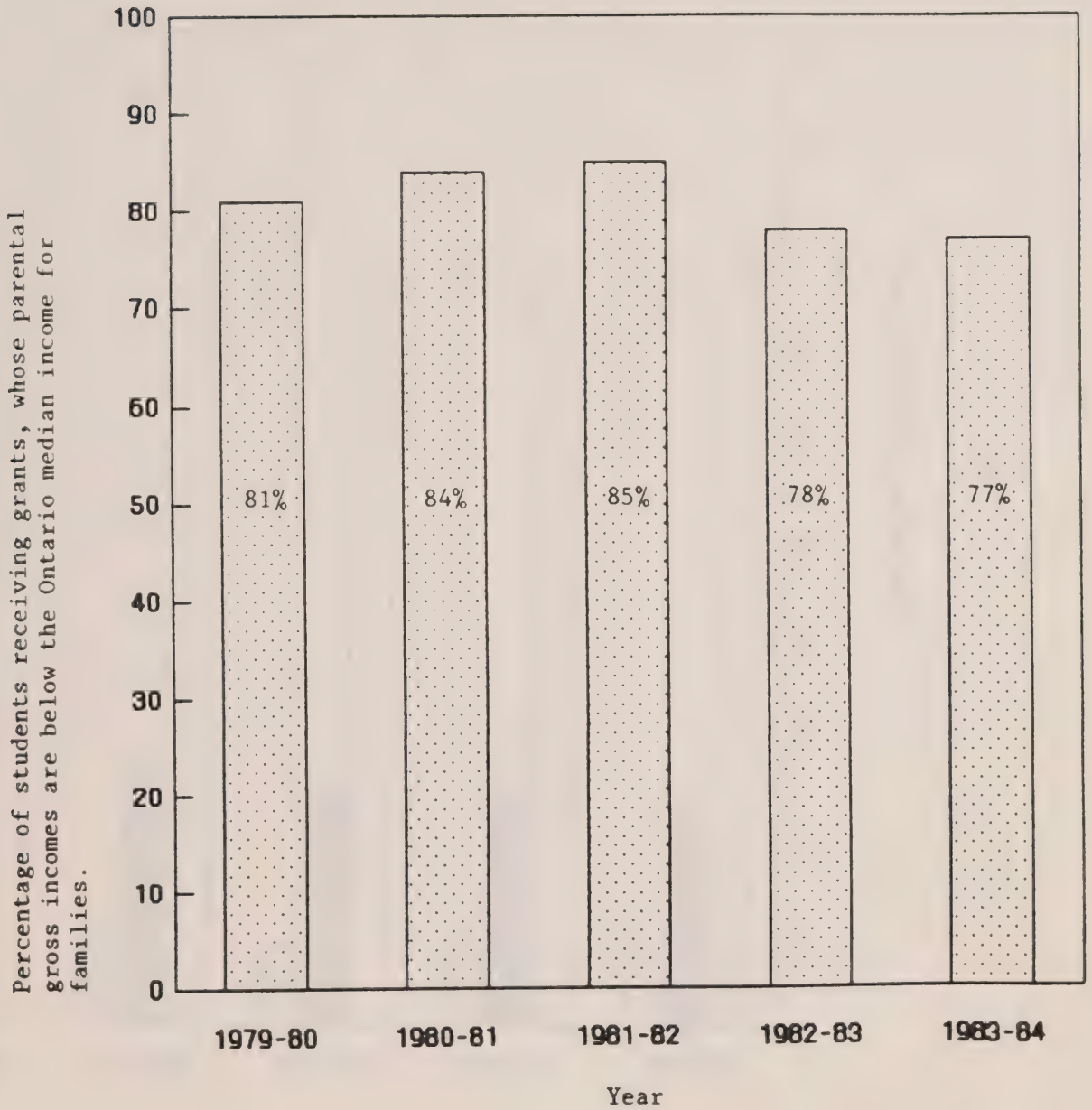
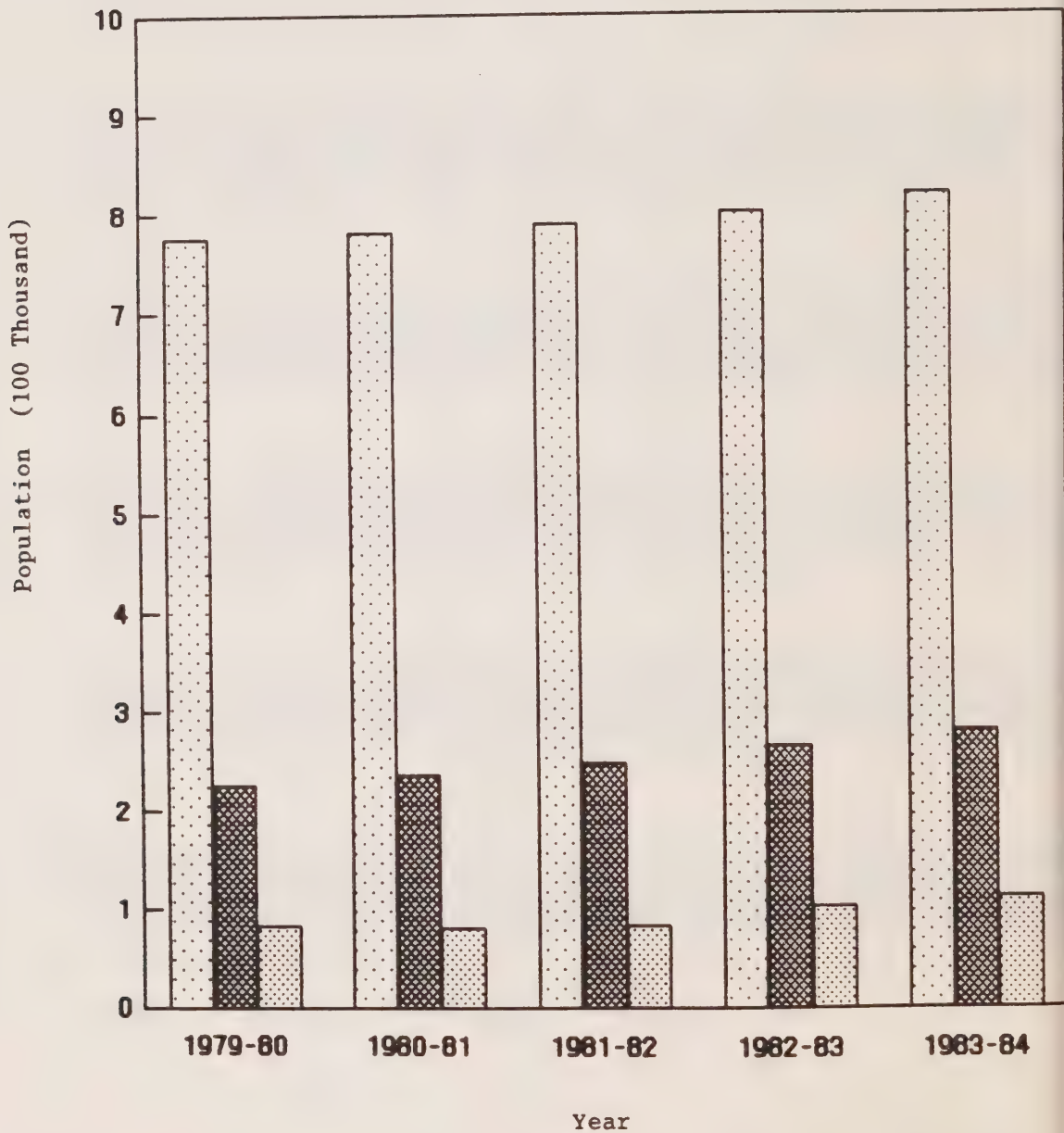


Chart J: Ontario Student Assistance Program, Ontario Population⁵
(Age 20-24), Full-time Enrolment in Ontario Universities
and Colleges, and OSAP Recipients

Ontario Population (age 20-24)
 Full-Time Enrolment in Ontario Universities and Colleges
 OSAP Recipients



⁵Source: Ontario Statistics 1984

A20N
DG 120
P25

of
and
ies

Hon. Gregory Sorbara, Minister
Alan K. Adlington, Deputy Minister

FILE

REPORT OF THE
**ONTARIO
STUDENT
ASSISTANCE
PROGRAM**

1984/85

OSAP

.....

**REPORT OF THE
ONTARIO
STUDENT
ASSISTANCE
PROGRAM
1984/85**

Report of the
Ontario Student
Assistance Program
1984-85

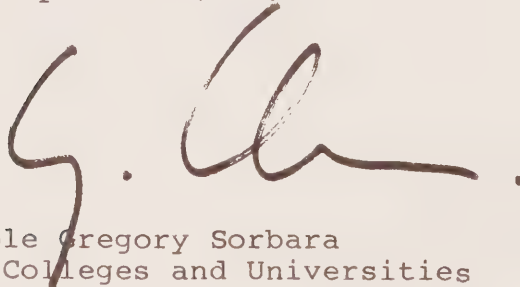
As Minister of Colleges and Universities, I am pleased to present the 1984-85 Report of the Ontario Student Assistance Program (OSAP). This Report provides a detailed analysis and review of the financial assistance provided to post-secondary students by the Government of Ontario. It is the seventh annual Report on OSAP since the introduction of the Ontario Study Grant Plan in 1978-79.

OSAP is an integral component of the provincial government's continued commitment to facilitating accessibility to post-secondary education to all qualified students.

The major source for the data presented in this Report was the information provided on students' application forms for financial assistance. Requests for additional information relating to this Report should be directed to:

Student Awards Branch
Ministry of Colleges
and Universities
Mowat Block, Queen's Park
Toronto, Ontario
M7A 1L2

Telephone: (416)965-7191

A handwritten signature in dark ink, appearing to read 'G. Sorbara', with a large, stylized initial 'G' and a trailing flourish.

The Honourable Gregory Sorbara
Minister of Colleges and Universities

TABLE OF CONTENTS

	<u>Page</u>
Introduction	5
Summary	6
Aid Recipients	8
Amount of Assistance Received	10
Students' Educational Costs and How They Were Met	12
Family Profile of Students Receiving Assistance	13
Study Level/Course Profile	14
Canada Student Loans Program	17
Ontario Student Loans Plan	17
Ontario Special Bursary Plan	20
Ontario Work-Study Plan	21
Resources Expected From Assets	22
Role of the Appeal Board	23
Ministry Verification of Information	23
Assistance To Students Enrolled in Private Vocational Schools	24
Conclusion	24

TABLE OF CONTENTS (Con't.)

	<u>Page</u>
Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds	29
B. Full-Time Enrolment and OSAP Recipients	30
C. Grant Awards by Student Group	31
D. Grant Awards - Dollar Ranges	32
E. Average Grant Awards by Student Group	33
F. Grants Received by Dependent Students According to their Parental Gross Income Ranges	34
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	35
H. Contribution from Students' Summer Earnings	36
Appendix 2: Charts	
A. Total Expenditure	39
B. Breakdown of Total Assistance	40
C. Expenditure by Federal and Provincial Governments	41
D. Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	42
E. Costs of Students Applying for Grants	43
F. Resources of Students in Grant Assessments	44
G. Grant Awards by Student Group	45
H. Grant Awards by Institution Type	46
I. Parental Gross Income of Dependent Single Students Receiving Grants	47
J. Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	48

Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920's, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario, provincial grants were introduced in 1966 to supplement the federal loans. In 1978, the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and assessment of financial need.

The Ontario Student Assistance Program consists presently of six plans. The Ontario Ministry of Colleges and Universities finances Ontario Study Grants, Ontario Student Loans, Ontario Special Bursaries and Ontario Work-Study plans. The Federal Secretary of State finances the full-time and part-time Canada Student Loans. This report deals primarily with the four provincially funded plans.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents in order that they have access to postsecondary education. In order to meet this objective, assistance is provided in the form of non-repayable grants (for the first four years of postsecondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake postsecondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1984-85. It analyses the assistance provided under the program - to whom aid was given, in what form, etc. It also reviews the program's operation in terms of its individual components and verification.

Wherever possible, comparative data are provided for earlier years. All amounts shown are in "current dollars". No allowance has been made for inflation. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to take out the first \$1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province.

In 1984-85 a student was classified as Group B (independent) for grant assessment if he/she was married or was a single

parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had been out of secondary school for four full years. A student who did not meet the above criteria was classified as Group A (dependent).

Summary¹

The highlights of the program in 1984-85 are as follows:

- . During the academic year 1984-85², a total of 114 369 students received aid in the form of loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$392.98 million³; \$110.40 million of this was in the form of grants, and \$282.58 million in the form of loans (see Table 1, page 8).
- . Approximately 41 per cent of the total grants provided to dependent single students was received by students whose parents earned incomes less than \$10 001, and 81 per cent by students with parental incomes less than \$20 001.
- . Of all students in full-time enrolment in Ontario colleges and universities, 35 per cent received assistance under the Ontario Student Assistance Program. Of these, 28 per cent received a mix of grants and loans, and 7 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities increased very slightly over that of the previous year.
- . The average value of grants for the three main categories of students increased slightly in 1984-85: there was a 4 per cent increase for dependent single students, a half per cent increase for independent single students, and a 15 per cent increase for married students (see Table 5, page 10).

-
1. Detailed tables on the various distributions of these awards are provided as appendices to this report. Information presented as percentages in the summary is rounded off to the nearest whole percent.
 2. An academic year covers the period from July of one year to August of the following year (from September to the following April for most students), and overlaps two government fiscal years which run from April of each year to the following March.
 3. Assistance consists of loans and grants provided to students and does not include the expenditure made on interest payments and defaults on loans.

- . The number of grant awards for students enrolled in private vocational schools increased by 9 per cent; awards for university and colleges of applied arts and technology students eligible for grants remained at approximately the same levels as in 1983-84.
- . The number of married students receiving grants increased by 8 per cent. The number of dependent and independent single students receiving grants decreased by less than three quarters of a percent and 2 per cent respectively.
- . Of the total grant awards, 54 per cent were made to female students and 46 per cent to male students (see Table 4, page 9).
- . Of the students enrolled in Ontario's universities, 42 453 received assistance in the form of grants or a mix of grants and loans. Approximately 96 per cent of these students were enrolled in undergraduate programs. The remainder were enrolled in graduate programs or diploma, certificate and other non-degree programs.
- . Of the students enrolled in Ontario's colleges, 36 906 received grants and/or loans. These students were enrolled in the following programs: 33 946 in diploma programs, 2944 in certificate programs, and 16 in other programs.
- . A total of 1677 students, an increase of 126 per cent from 1983-84, received funds under the Ontario Work-Study Plan. This plan was introduced in 1982-83 to help students with special financial needs not met under the regular OSAP assessment.
- . A total of 2 496 students, an increase of 13 per cent from 1983-84, received assistance from the Ontario Special Bursary Plan.

Aid Recipients

For the academic year 1984-85, a total of 86 947 grant awards were issued for a dollar value of \$110.40 million. In addition, 114 369 loans were issued for an amount of \$282.58 million, consisting of \$255.64 million in federal loans and \$26.94 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 1 shows.

Table 1: Student Awards by Type (for 1983-84 refer to Chart B, page 36)

	Number of Awards		Dollar Value (in millions)	
Grants	86 947	(43.19%)	\$110.40	(28.09%)
Loans	114 369	(56.81%)	\$282.58	(71.91%)
Total	201 316		\$392.98	

There was a minimal increase (0.02 per cent) in the total number of grant awards issued in 1984-85. The increase in loan awards for the same period was 1.70 per cent.

Of the total grant awards issued in 1984-85, 42 453 were made to students attending universities in Ontario and 36 906 to students enrolled in Ontario colleges of applied arts and technology.

Of the total loan awards, 27 422 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1984-85. Out of the total loans issued 58 567 were to Ontario university students and 40 358 to college students. Table 2 presents a breakdown of loan and grant assistance.

Table 2: Student Awards by Type of Institution Attended

Institution Attended	Grants		Loans	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	42 453 (48.83%)	\$55.29 (50.08%)	58 567 (51.21%)	\$151.95 (53.77%)
College in Ontario	36 906 (42.45%)	\$47.03 (42.60%)	40 358 (35.29%)	80.41 (28.46%)
Other Institution*	7 588 (8.72%)	\$8.08 (7.32%)	15 444 (13.50%)	\$50.22 (17.77%)
Total	86 947	\$110.40	114 369	\$282.58

* Other institution includes private vocational schools and postsecondary institutions outside Ontario.

The breakdown of loans and grants by the type of student is summarized in the following Table.

Table 3. Number (Per Cent) of Student Awards by Type of Student
(for grant awards since
1971 refer to Table C, page 29)

	Grants	Loans
Dependent single students	67 266 (77.36%)	71 347 (62.38%)
Independent single students	11 022 (12.68%)	30 623 (26.78%)
Married Students*	8 659 (9.96%)	12 399 (10.84%)
Total	86 947	114 369

*Included in the married students are 4413 single parents who received grant and loan assistance and 1187 single parents who were awarded loans only.

Of the grant awards 81 452 (93.68 per cent) were made to Canadian citizens, and the remainder (5495) to permanent residents (landed immigrants). With respect to loan awards, 106 615 (93.22 per cent) were issued to Canadian citizens, and 7754 to permanent residents.

During the academic year 1984-85, the percentage breakdown of female and male students receiving assistance has remained fairly consistent with previous years, as shown in Table 4.

Table 4: Students Receiving Assistance, Broken Down By Sex

	Grants		Loans	
	1983-84	1984-85	1983-84	1984-85
Male Students	41 526 (47.77%)	40 399 (46.46%)	54 684 (48.63%)	54 230 (47.42%)
Female Students	45 404 (52.23%)	46 548 (53.54%)	57 768 (51.37%)	60 139 (52.58%)
Total	86 930	86 947	112 452	114 369

Amount of Assistance Received

Of the total amount of grants, 68.99 per cent was received by single dependent students; independent single students and married students received 18.70 per cent and 12.31 per cent respectively of the total grants. Table 5 shows the average grant assistance for the three groups of students and the change from 1983-84.

Table 5: Average Grant Assistance by Type of Student

(for 1980 to present, refer to Table E, page 31)	1983-84	1984-85	% change
Dependent single students	\$1086	\$1132	+4.24
Independent single students	\$1865	\$1874	+0.48
Married Students	\$1367	\$1573	+15.07

The increase in the average grant assistance to dependent single and married students reflects the increase in the personal and living allowances provided to these students in 1984-85.

The average grant assistance to dependent single students shown in Table 5 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 65.70 per cent lived away from home during 1984-85. The corresponding percentage for 1983-84 was 65.86.

The award profile of students according to the type of institution they attended is shown in Table 6.

Table 6: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant		% change
	1983-84	1984-85	
University in Ontario	\$1266	\$1303	+2.92
College in Ontario	\$1190	\$1274	+7.06
Other Institution	\$1050	\$1064	+1.33

Average grant awards for students at Ontario's postsecondary institutions have increased in 1984-85. Awards for students enrolled in colleges increased by approximately 7 per cent.

The figures for loans issued in 1984-85 are shown in Tables 7 and 8. The following are two possible reasons for the increases in average loans: (a) the cost/resource levels permitted in loan assessments are not stringent, and hence the financial need determined in loan assessments is high; (b)

students who appeal for increased assistance because of special circumstances get additional support funds, generally in the form of loans.

Table 7: Average Loan Assistance by Type of Student

	1983-84	1984-85	% change
Dependent single students	\$1641	\$1847	+12.55
Independent single students	\$3092	\$3323	+ 7.47
Married Students	\$3660	\$3824	+ 4.48

Table 8: Average Loan Assistance by Type of Institution Attended

Institution Attended	Average Loan		% Change
	1983-84	1984-85	
University in Ontario	\$2370	\$2595	+ 9.49
College in Ontario	\$1782	\$1992	+11.78
Other Institution	\$3043	\$3252	+ 6.87

There has been a general increase in loan assistance received by students in postsecondary institutions in Ontario. The primary reason for this is the generous levels of costs, especially the personal and living allowance allowed in the loan assessment and the increase in course length of college students applying for assistance.

Table 9 shows the distribution of 'grant' awards for the two academic years 1983-84 and 1984-85.

Table 9: Distribution of 'grant' Awards by Value
(for 1981 to present, refer to Table D, page 30)

Value of 'grant' Awards	Percentage of Recipients	
	1983-84	1984-85
\$ 1 - \$ 500	12.22	11.31
\$ 501 - \$1000	15.00	13.84
\$1001 - \$1500	15.43	13.80
\$1501 - \$2000	13.65	13.30
\$2001 - \$2500	18.63	19.13
\$2501 - \$3000	8.72	8.33
Over \$3000	16.35	20.29
Total	100.0	100.0

As Table 9 indicates there was no significant change in the distribution of grant awards by value in 1984-85.

In 1984-85 about 31 154 students who applied for assistance did not receive any grant awards because their resources were in excess of the costs calculated under the grant program.

The size of grant awards assessed during 1984-85 varied according to the individual circumstances of students applying for assistance. The grant awards ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Students' Educational Costs and How They Were Met

The total costs of students attending postsecondary institutions are made up of tuition fees, ancillary fees, book and equipment costs, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources to the extent needed to meet these costs. During 1984-85 student costs in the grant assessments consisted of 21.70 per cent for tuition fees, 58.88 per cent for food and accommodation, 10.56 per cent for books and equipment, and the balance (8.86 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 10. They reflect the general increase in costs for all students.

Table 10: Average Student Cost by Type of Student

	1983-84	1984-85	% Change
Dependent single students	\$3690	\$3927	+6.42
Independent single students	\$3913	\$4144	+5.90
Married Students	\$2453	\$2676	+9.09

The average student costs by type of institution attended are given in Table 11.

Table 11: Average Student Costs by Type of Institution Attended

	1983-84	1984-85-	% Change
University in Ontario	\$3970	\$4199	+5.77
College in Ontario	\$3269	\$3533	+8.08
Other Institution	\$3191	\$3213	+0.69

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school and married students).

For students attending Ontario's universities, the average tuition fee increase in 1984-85 was \$54. Tuition fee increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately \$25.

Approximately 67 per cent of the total educational costs of all students eligible for grants in 1984-85 was met out of the resources of the students and/or their families. The remaining 33 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the percentage of total costs met by non-repayable grants is as follows: for dependent single students - 28.71 per cent, for independent single students - 45.01 per cent and for married students - 58.40 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the student's own contribution (31.45 per cent) and a parental contribution (68.55 per cent). Parental contribution accounted for about 70.40 per cent of the total resources for students living away from home and 63.49 per cent for students living with parents while at school. The latter parents provided assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 67 percent of the dependent single students who received grant assistance in 1984-85 were from families with one or two children. The distribution of families by number of children is given in Table 12.

Table 12: Family Size of Dependent Single Students Receiving Grants

Number of children	% of Students
1	33.90
2	32.81
3	21.26
4	8.23
5+	3.80
Total	100.0

The grants received by dependent single students depended on their parental incomes and also on other factors such as the number of children in their family and, in particular, the number of children attending postsecondary institutions. The average award for students whose parental incomes were \$15 000 or lower was \$2417, while the average award for those whose parents earned over \$30 000 was \$132. Table F on page 32 summarizes the average grant per income range for 1983-84 and 1984-85.

Approximately 64 per cent of the total grant assistance provided to dependent single students was received by students whose parental incomes were \$15 000 or less. An additional 32 per cent was received by students whose parents earned between \$15 001 and \$30 000. Less than four per cent of the total grant funds reached students whose parents were earning in excess of \$30 000. The actual amount of assistance depends on a 'need assessment' which takes into account the resources of the students and the costs they are expected to incur during the study period.

Statistics Canada's estimate of median⁴ income for families in Ontario for 1984 was \$34 457. Students who came from families below the median income received approximately \$73.54 million in grants, which represents 97.2 per cent of our total grants provided to dependent single students in 1984-85.

The 60.65 per cent majority of married students who received grants in 1984-85, had a family gross income below \$10 001. Close to 34 per cent of married students had incomes below \$5001.

Study Level/Course Profile

The students who were assisted with grants in 1984-85 were, for the most part, enrolled in postsecondary courses of twenty-six to thirty-eight weeks duration. The grant recipients in 1984-85, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (%) by Type of Institution and Length of Course

Course Length	Per Cent In Ontario's Universities	Per Cent In Ontario's Colleges	Per Cent In Other Institutions
Less than 19 weeks	7.23	11.88	21.13
20 - 25 weeks	1.01	3.99	4.56
26 - 32 weeks	16.71	5.62	27.83
33 - 38 weeks	67.93	60.49	21.63
Over 38 weeks	7.12	18.02	24.85
Total	100.0	100.0	100.0

4. Median is a statistical term which indicates the value of a quantity that divides a given population in half. In this example the median family income in Ontario is \$34,457. Therefore half of the family incomes in Ontario are greater than \$34,457 and half are less.

In the past five years there has been a general shift in the course length distributions from the "26 - 32 weeks" to "Over 33 weeks" categories. This shift represents a very slight increase in the program lengths of courses offered at the various postsecondary institutions in Ontario. In part, it could be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner, or the fact that many institutions have structured their programs to run throughout the year without a break in the summer in order to make effective use of the facilities available.

Universities in Ontario

Because of the restriction on grants to the first four years of postsecondary study, most of the grant recipients in 1984-85 (95.81 per cent) were enrolled in undergraduate programs. About 4.01 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (71.02 per cent) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1984-85 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants,
By Type of Program

Faculty	Percentage of Students
Arts and Sciences	71.02
Engineering and Technology	9.13
Administration/Business	8.33
Health Sciences	5.12
Education and Social Work	3.61
Other	2.79
Total	100.0

Of the students who received only loans, 15.5 per cent were enrolled in graduate programs, and the remaining applicants (84.5 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (programs in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1984-85.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Other (cert. and diploma)
Arts and Sciences	48.99	46.25	53.79
Education and Social Work	10.63	9.82	17.58
Law	9.85	0.32	0.45
Engineering and Technology	9.40	4.39	12.12
Medicine	9.21	1.68	0.91
Health Sciences	4.23	5.99	0.91
Administration/Business	5.08	20.09	8.48
Other	2.61	11.46	5.76
Total	100.0	100.0	100.0

Colleges in Ontario

The programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1984-85 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants, by Type of Program

Faculty	Percentage of Students
Administration/Business	31.48
Engineering and Technology	21.77
Arts and Sciences	19.84
Health Sciences	14.56
Education and Social Work	8.15
Trades and Vocations	1.98
Other	2.22
Total	100.0

Table 17 shows the distribution of college students receiving only loans in 1984-85.

Table 17: Distribution of College Students Receiving only Loans, By Type of Program

Faculty	Percentage of Students	
	Diploma	Certificate
Engineering and Technology	25.42	14.63
Health Sciences	23.74	25.85
Administration/Business	23.20	25.85
Arts and Sciences	18.98	11.90
Education and Social Work	5.49	1.70
Other	3.17	20.07
Total	100.0	100.0

Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the student aid plans under the The Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past eight years is shown in Table 18.

There was a large increase in the total Canada Student Loans assessed in 1983-84 and this is the result mainly of a change in the Canada Student Loan Act which almost doubled the maximum loan assistance which students could receive.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Eligible	Amount of Loans Issued (in millions)
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39
1981-82	81 180	\$101.91
1982-83	100 778	\$146.54
1983-84	112 452	\$228.35
1984-85	114 369	\$255.64

The levels of costs and allowances under the Canada Student Loans Program are generally less stringent than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans, as required, to meet their additional expenses related to life style differences.

Ontario Student Loans Plan

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their study program was less than twenty-six weeks, their program of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The provincial loan plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at \$1800 from 1974 to 1983 in spite of annual

increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans now top off the federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. Table 19 illustrates the disbursement of provincially guaranteed loans since 1977-78.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95
1981-82	\$27.65
1982-83	\$51.34
1983-84	\$24.92
1984-85	\$26.94

The steep increase in Ontario Student Loans in 1982-83 was due to a change in the tables for calculating the contribution from parental income which reduced the amount of money that parents were expected to contribute to the education of their daughter or son. As Ontario Student Loans supplement Canada Student Loans, there was a significant increase in 1982-83 in the amount of Ontario Student Loans issued. The ceiling on the federal loans was increased to \$105 per week in 1983-84, and this accounts for the subsequent drop in Ontario Student Loans.

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks under provincial guarantee. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Claims

Year	Interest on Loans	Claims Paid Under Guarantee	
		Number	Amount
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76
1981-82	\$4 910 029.01	1493	\$2 276 193.99
1982-83	\$6 054 284.09	1159	\$2 282 985.91
1983-84	\$7 161 107.87	2161	\$4 731 173.13
1984-85	\$7 065 405.08	2325	\$6 118 859.92

Under the Ontario Student Assistance Program, 167 081 provincial loans have been negotiated since its inception and only 5.31 per cent of these loans have been claimed by banks as defaults. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a claim rate of 14.19 per cent.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once the amounts claimed are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrowers. Quite a number of the defaulted loans are recovered from the students, usually with a commitment to provide repayment over an agreed period of time in the future. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts collected in the last three years was \$372 270 in 1982-83, \$519 750 in 1983-84 and \$954 890 in 1984-85.

The value of loans claimed since the inception of the Ontario Student Loans Plan is approximately \$16.30 million. These claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

In an attempt to reduce claims, students are advised, when they are located, about the consequences of a loan default. As well as repaying the loan debt to a collection agency, the defaulters face consequences: no consideration for further assistance until one year after the full repayment of the debt and accumulated interest, and registration of the default with a credit bureau, thus affecting the individual's ability to obtain further credit.

Table 21: Student Loan Claims By Amount

Claim Ranges	Per Cent of Loan Accounts
\$ 1 - \$ 500	13.23
\$ 501 - \$1000	20.52
\$1001 - \$1500	14.00
\$1501 - \$2000	19.37
\$2001 - \$2500	11.22
\$2501 - \$3000	6.40
\$3001 - \$3500	3.46
\$3501 - \$4000	3.35
\$4001 and over	8.45
Total	100.0

As Table 21 shows, close to 67 per cent of the provincial claims were in the less than \$2000 range.

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Unwillingness/Non-cooperation	36.76
Inability to locate/trace/contact student borrower	31.74
Unemployment	13.38
Bankruptcy	3.44
Illness	2.12
Death	1.31
Other miscellaneous reasons	11.25
Total	100.0

Ontario Special Bursary Plan

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past ten years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1982-83 to 1984-85 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1982-83	1983-84	1984-85
Number of students assisted	1 965	2 217	2 496
Total assistance provided	\$582 819	\$1 021 649	\$1 140 379
Average bursary award	\$ 297	\$ 461	\$ 457
Maximum bursary	\$ 1 200	\$ 1 200	\$ 1 200

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60 per cent course load or less. However, because of its suitability for students in skills-upgrading programs, students enrolled in these programs with a course load of over 60 per cent are also permitted now to apply for this program.

Of the total number of students who received bursary assistance in 1984-85, about 21 per cent were males and 79 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	Per Cent of Students
Single students	30.53
Single parents	58.25
Other married students	11.22
Total	100.0

Of all the bursary recipients, 86.70 per cent had no employment to report during the period of study. The remaining 13.30 per cent of bursary students had some kind of employment - 2.64 per cent were employed full-time, and 10.66 per cent reported part-time employment.

A large number of bursary recipients in 1984-85 (70.87 per cent) were receiving direct or indirect support of some kind from a government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	Per Cent of Students
Family Benefits allowances	41.83
General Welfare allowances	19.55
Unemployment insurance benefits	6.41
Other pension benefits	1.96
Penitentiary allowances	0.84
Rehabilitation benefits	0.28
Subtotal	70.87
Those receiving no support	29.13
Total	100.0

A large majority of the bursary recipients did not have any prior postsecondary education. Of the total bursary recipients 9.29 per cent had some postsecondary education. Another 6.69 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 53.13 per cent were single parents.

Ontario Work-Study Plan

In 1982-83 a new plan called the Ontario Work-Study Plan was introduced as part of the Ontario Student Assistance Program. The objective of this plan is to provide the financially needy students with additional funds in the form of remuneration for work done, in order to help them meet their special costs

without an excessive dependence on loans. This plan emphasizes the principle of self-help, and permits students to make up the shortfall in their expenses by working in or around the campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the local sponsors.

The expenditure for the program in the fiscal year 1984-85 was \$341 659 which represents a half share of the total outlay for the plan. The response to the plan has been enthusiastic from both students and the postsecondary institutions which participated in the plan.

A breakdown of the recipients of Work Study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution

	# of Recips.	As % of Total
Universities in Ontario	1087	64.82
College in Ontario	590	35.18
Total	1677	100.0

The main reasons which prompted these students to apply for work study funds were: lack of parental contribution (25.42 per cent), high loan indebtedness (21.02 per cent), lack of summer earnings (18.64 per cent), and expected resources unavailable (11.36 per cent).

Resources Expected From Assets

The policy on assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected, based on the net value of the student's or family's assets, when determining the student's financial need. Because of this contribution from assets, funds available in the program could be directed to those students who needed assistance most. In 1984-85, 3648 students who received grants had a contribution from parental assets, the average contribution being \$858 per student. The average contribution from the 623 married students with assets was \$817 per student. There were 3185 students receiving grants who had a contribution expected from their own assets, the average amount being \$640 per student.

Role of the Appeal Board

Students with unique circumstances that are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an Appeal Board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators.

During the 1984-85 academic year, 1219 appeals were handled by the Appeal Board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spousal refusal or inability to contribute. These appeals in 1984-85 resulted in the awarding of \$999 558 in additional grants and \$1 785 680 in additional loans to students. As an independent external body, the Appeal Board ensures equity in individual cases, and provides additional support funds when needed.

Ministry Verification of Information

The main purpose of the ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected at the ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the financial aid administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the ministry. Files maintained at the awards offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the ministry fully preserves the confidentiality of the information provided.

In 1984-85, 14 487 selected files were examined in detail for accuracy of assessments as part of the general audit of student data. The results of this examination showed underpayments of \$254 167 and overpayments of \$4 914 771. A total of 8979 cases were involved in these adjustments.

Ninety-three cases were investigated for suspected fraud or misrepresentation. Fifteen cases were referred to the Ontario Provincial Police or the Royal Canadian Mounted Police. Convictions were obtained in all nine cases that reached trial and were concluded in court during the year.

Assistance to Students Enrolled in Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1984-85, 38 private vocational schools participated in the grant plan.

During the year 1984-85, 5482 students enrolled in private vocational schools received grant assistance totalling \$5.51 million. The number of students who received grants in 1984-85 represents an increase of 8.90 per cent over that in the previous year. The average amount of grant assistance provided to these students in 1984-85 was \$1006. Grant assistance to these students is restricted to a maximum of \$1000 per term. This explains why there has been a corresponding increase in the loan assistance received by these students.

Private vocational school students who received grant assistance in 1984-85 were enrolled mainly in trades and vocations, engineering and technology, and administration or business programs. The participation of students attending private vocational schools in Ontario for 1983-84 and 1984-85 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	1983-84		1984-85	
	Grants	Loans	Grants	Loans
Number of Students receiving aid	5034	6698	5482	7734
Total value of aid received (in millions)	\$5.02	\$23.69	\$5.51	\$27.65

Conclusion

In its seventh year of operation, the Ontario Study Grant Plan has promoted accessibility to postsecondary education for Ontario residents by providing 86 947 students with a total of \$110.40 million as need-based, non-repayable grants. In addition, federally guaranteed loans of \$255.64 million and

provincially guaranteed loans for \$26.94 million were also issued to students in 1984-85. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 114 369 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1984-85 constituted 34.84 per cent of the total full-time enrolment in Ontario's universities and colleges.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1984-85 over 77 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group.

Of the total amount of assistance provided as grants to dependent single students, approximately half (50.65 per cent) was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 25.70 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. A supplementary personal and living allowance, ranging from \$5 to \$15 per week of study, for students residing in their parents' homes while attending school, was given to 4,246 students from low income families. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1984 is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families
Under \$10 000	6.6
\$10 000 - \$11 999	2.0
\$12 000 - \$14 999	5.2
\$15 000 - \$16 999	3.3
\$17 000 - \$19 999	5.1
\$20 000 - \$21 999	3.2
\$22 000 - \$24 999	5.3
\$25 000 - \$26 999	4.0
\$27 000 - \$29 999	6.4
\$30 000 - \$31 999	3.9
\$32 000 - \$34 999	6.1
\$35 000 - \$36 999	4.2
\$37 000 - \$39 999	5.4
\$40 000 - \$44 999	8.4
\$45 000 - \$49 999	7.2
\$50 000 - \$59 999	10.1
\$60 000 - and over	13.6
Total	100.0
Average income	\$38 632
Median income	\$34 457

It can be seen from Table 28 that approximately 50 per cent of the families in Ontario had incomes below \$34 457. This can be matched with the family income profile of the dependent single students who received assistance in 1984-85. For example, 77.98 per cent of the students who received grants in 1984-85 came from families with incomes below the median level.

Various factors affect the student's decision to enrol or continue in postsecondary study; availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

.....

A P P E N D I X O N E

TABLES

Table A: Ontario Student Assistance Program, Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Ontario Work Study Plan	Total
1984-85	111 997 110	13 184 265	1 140 379	341 659	126 663 413
1983-84	106 843 710	11 892 281	1 021 649	167 406	119 925 046
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	-	86 423 755
1980-81	85 377 688 ¹	4 036 600	477 471	-	89 891 759
1979-80	84 009 164 ¹	1 373 440	409 394	-	85 791 998
1978-79	78 989 259 ¹	424 177	427 736	-	79 841 172
1977-78	66 491 360	284 529	427 880	-	67 203 769
1976-77	54 973 977	116 093	300 137	-	55 390 207
1975-76	49 117 077	29 448	208 583	-	49 355 108
1974-75	39 445 128	22 329 ²	141 648 ³	-	39 609 105
1973-74	31 238 657	-	-	-	31 238 657
1972-73	23 115 327	-	-	-	23 115 327
1971-72	28 882 135	-	-	-	28 882 135

1. Includes loan remission

2. Part-time Student Loans Program

3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipients

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients ⁴ (Grant and Loan)
1984-85	281 620	114 369
1983-84	278 416	112 452
1982-83	264 658	100 778
1981-82	247 533	81 180
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

⁴ Enrolled in Ontario universities and colleges, and also in private vocational schools, and other postsecondary institutions.

Source: Ministry of Colleges and Universities, Management Information Systems report
Ministry of Colleges and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

Program Year	Total Awards Issued	Dependent Single Students - Number of Awards	Married Students - Number of Awards	Independent Single Students - Number of Awards
1984-85	86 947	67 266 (77.3%)	8 659 (10.0%)	11 022 (12.7%)
1983-84	86 930	67 755 (77.9%)	7 983 (9.2%)	11 192 (12.9%)
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Grant Awards - Dollar Ranges

	1981-82	1982-83	1983-84	1984-85
Range of Award	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)
\$ 1 - 500	13.86	12.21	12.22	11.31
501 - 1000	16.31	15.42	15.00	13.84
1001 - 1500	16.70	15.70	15.43	13.80
1501 - 2000	15.22	14.45	13.65	13.30
2001 - 2500	18.23	17.96	18.63	19.13
2501 - 3000	9.32	8.49	8.72	8.33
3001 - 3500	7.26	8.38	7.98	7.93
3501 - 4000	1.99	4.60	5.08	6.63
Over \$4000	1.11	2.79	3.29	5.73
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Group

Student Group	1980-81	1981-82	1982-83	1983-84	1984-85*
A	\$1229	\$1125	\$1182	\$1086	\$1132
B (single)	1635	1782	1833	1865	1874
B (married)	1338	1289	1317	1367	1573

* refer to Table 5, page 10 for a discussion of the 1984-85 figures

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Grants Received by Dependent Students According to their Parental Gross Income Ranges

1983-84 and 1984-85

Parental Gross Income Ranges	Grant Recipients (as % of Total)		Total Grants Assessed (as % of Total)		Average Grants/ Income Range	
	1983-84	1984-85	1983-84	1984-85	1983-84	1984-85
\$ 1 - \$8 000	13.29	13.86	29.36	31.83	\$2 401	2 586
8 001 - 9 000	2.18	2.11	4.66	4.57	2 320	2 443
9 001 - 10 000	2.10	2.20	4.54	4.84	2 354	2 471
10 001 - 11 000	2.28	2.15	4.67	4.68	2 225	2 449
11 001 - 12 000	2.37	2.31	4.84	4.73	2 221	2 306
12 001 - 13 000	2.36	2.34	4.61	4.56	2 122	2 189
13 001 - 14 000	2.41	2.36	4.40	4.34	1 989	2 064
14 001 - 15 000	2.55	2.46	4.38	4.43	1 866	2 028
15 001 - 16 000	2.82	2.43	4.61	4.08	1 777	1 893
16 001 - 17 000	2.76	2.50	4.04	3.92	1 591	1 765
17 001 - 18 000	2.66	2.48	3.52	3.37	1 438	1 529
18 001 - 19 000	2.79	2.52	3.27	3.15	1 272	1 407
19 001 - 20 000	2.79	2.58	3.13	2.76	1 220	1 207
20 001 - 25 000	13.73	12.72	10.51	10.08	832	894
25 001 - 30 000	13.88	12.70	5.47	4.90	428	435
30 001 - 35 000	11.47	11.43	2.38	2.18	226	215
35 001 - 40 000	8.43	9.19	1.02	0.97	131	119
Over \$40 000	9.13	11.66	0.59	0.61	69	60
Total	100.0	100.0	100.0	100.0	1 086	1 132*

* refer to Table 5, page 10 for a discussion of the 1984-85 figures

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of Parents of Dependent Students Eligible for Grants*

	1981-82	1982-83	1983-84	1984-85
Parental Gross Asset Ranges	Per Cent of Students	Per Cent of Students	Per Cent of Students	Per Cent of Students
Less than \$1	6.92	7.27	7.60	8.22
\$ 1 - 80 000	67.71	65.28	63.38	61.28
80 001 - 100 000	10.83	10.92	11.59	11.83
100 001 - 120 000	5.57	6.25	6.51	6.66
120 001 - 140 000	3.20	3.67	3.86	4.18
140 001 - 160 000	1.88	2.23	2.43	2.67
160 001 - 180 000	1.16	1.33	1.42	1.57
180 001 - 200 000	0.70	0.79	0.84	1.00
200 001 - 220 000	0.53	0.54	0.57	0.64
220 001 - 240 000	0.33	0.37	0.37	0.39
240 001 - 260 000	0.26	0.30	0.31	0.35
260 001 - 280 000	0.17	0.18	0.21	0.20
280 001 - 300 000	0.13	0.16	0.15	0.18
Over \$300 000	0.61	0.71	0.76	0.83
Total	100.0	100.0	100.0	100.0

* refer also to "Effects that Assets Have on the Amount of Assistance Received" (page 22)

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students'
Summer Earnings

Contribution Ranges	Per Cent of Students			
	1981-82	1982-83	1983-84	1984-85
Less than \$1	11.79	12.39	12.72	12.41
\$ 1 - 200	0.20	0.28	0.29	0.21
201 - 400	0.38	0.49	0.55	0.44
401 - 600	19.44	21.20	21.35	20.30
601 - 800	5.17	1.96	1.86	2.02
801 - 1 000	42.31	4.62	6.70	8.31
1 001 - 1 200	5.95	48.79	47.23	45.10
1 201 - 1 400	4.09	2.78	2.49	2.86
1 401 - 1 600	3.37	2.43	2.02	2.47
1 601 - 1 800	2.35	1.54	1.41	1.57
1 801 - 2 000	1.72	1.21	1.12	1.34
2 001 - 2 200	1.26	0.74	0.73	0.88
2 201 - 2 400	0.72	0.52	0.51	0.63
2 401 - 2 600	0.45	0.37	0.38	0.47
2 601 - 2 800	0.28	0.24	0.22	0.34
2 801 - 3 000	0.18	0.18	0.17	0.21
Over \$3 000	0.34	0.26	0.25	0.44
Total	100.0	100.0	100.0	100.0

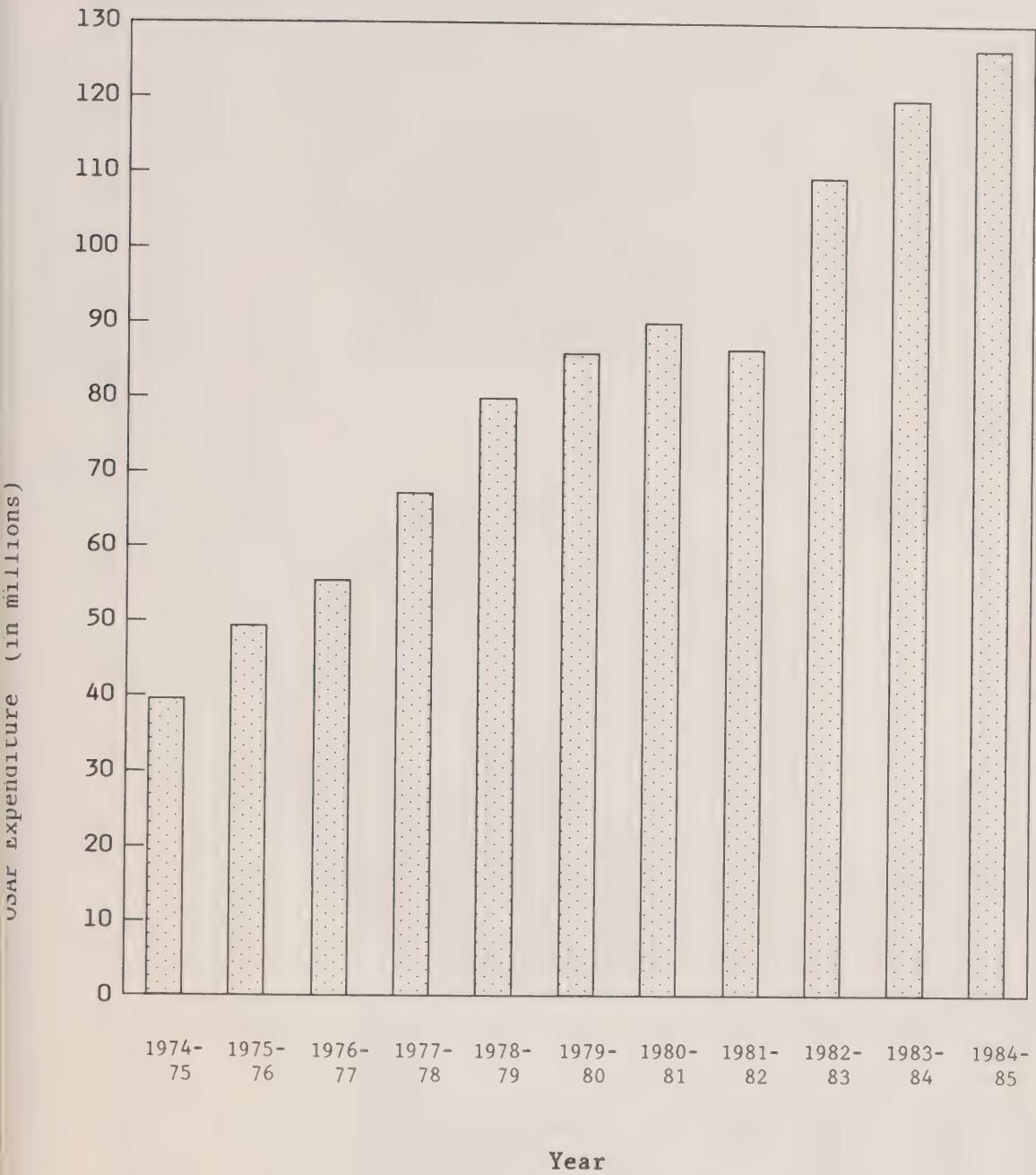
Source: Ministry of Colleges and Universities, statistical reports

.....

A P P E N D I X T W O

CHARTS

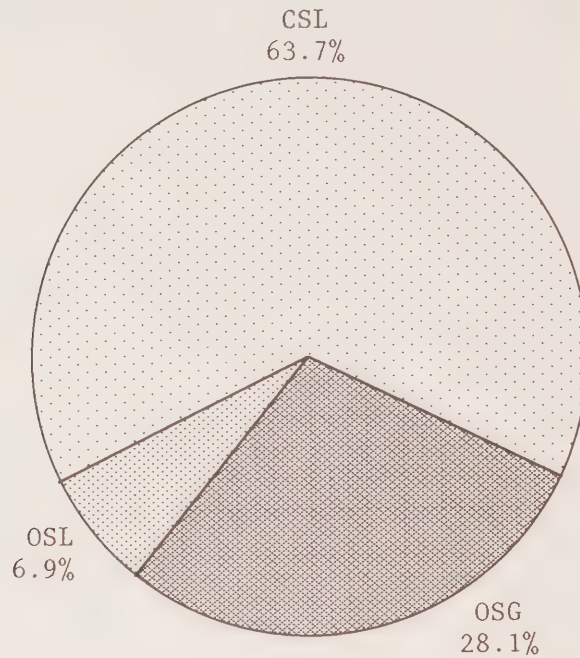
Chart A: Ontario Student Assistance Program, Total Expenditure*



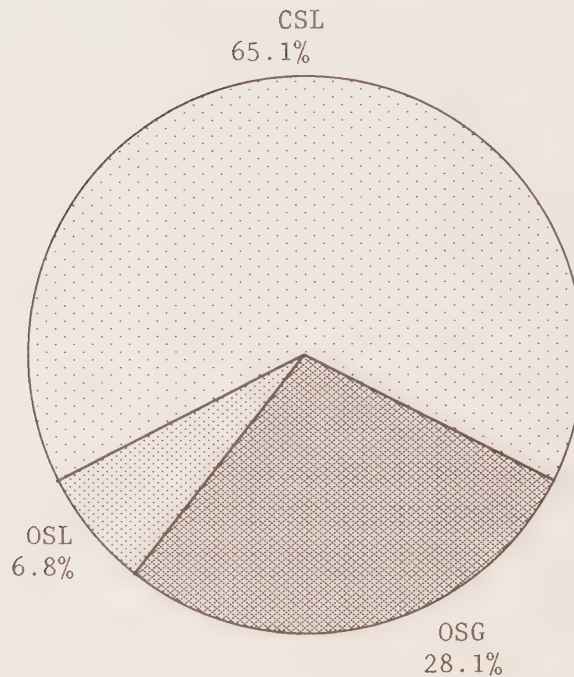
* refer to Table A, page 29 for exact amounts.

Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1983-84



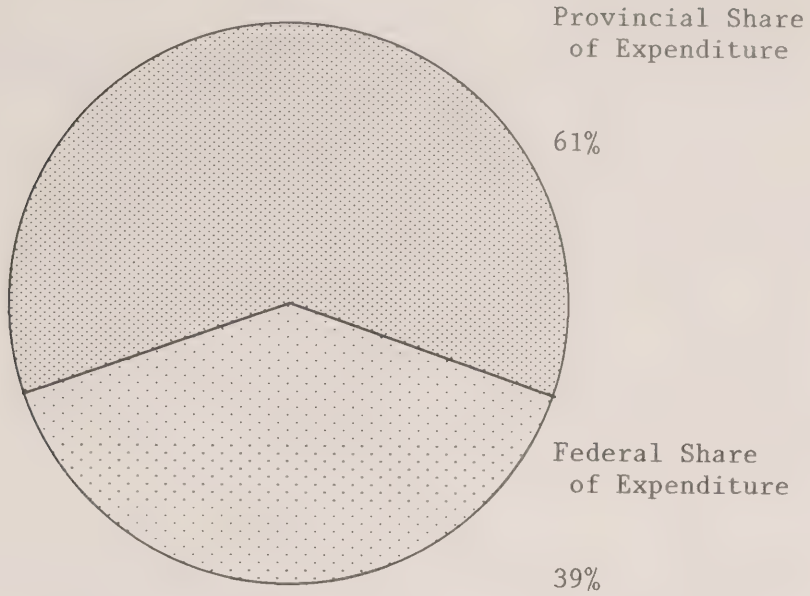
1984-85



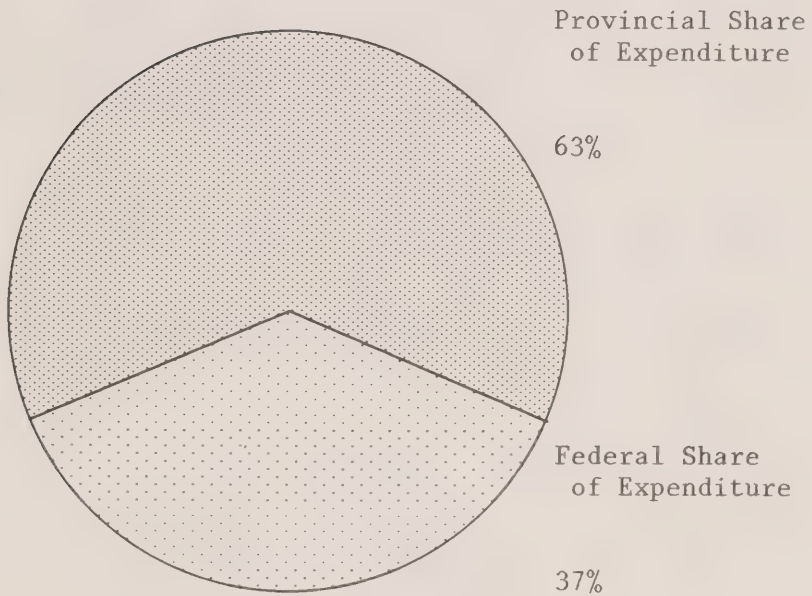
- OSG: Ontario Study Grant (refer to Table 5, page 10 for a discussion of 1984-85 figures)
- CSL: Canada Student Loan (refer to Table 7, page 11 and Table 18, page 17 for a discussion of 1984-85 figures)
- OSL: Ontario Student Loan (refer to Table 7, page 11 and Table 19, page 18 for a discussion of 1984-85 figures)

Chart C: Ontario Student Assistance Program, Expenditure⁵ by
Federal and Provincial Governments

1983-84

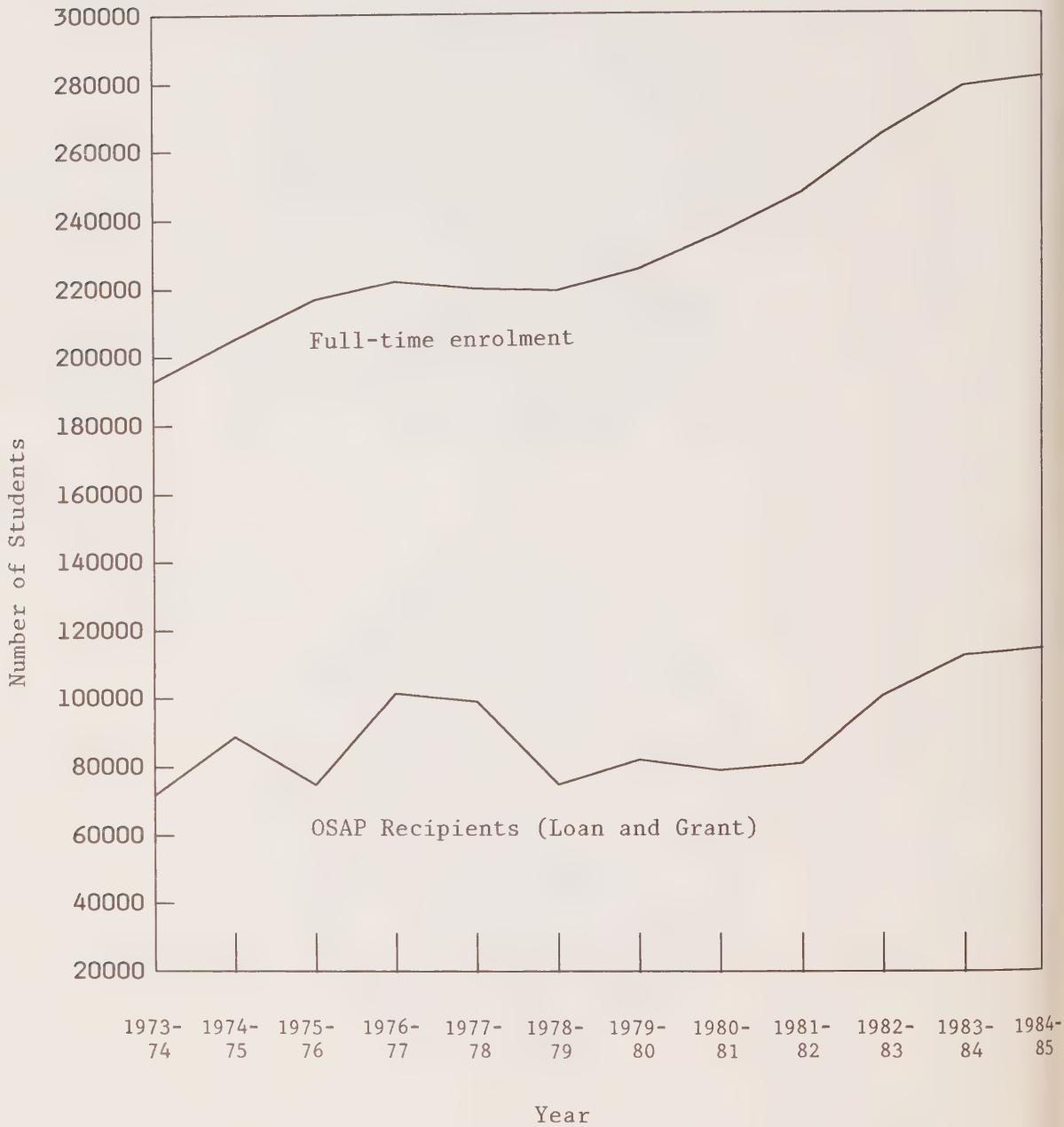


1984-85



⁵ Expenditure includes: Grants and bursaries, Interest on Federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

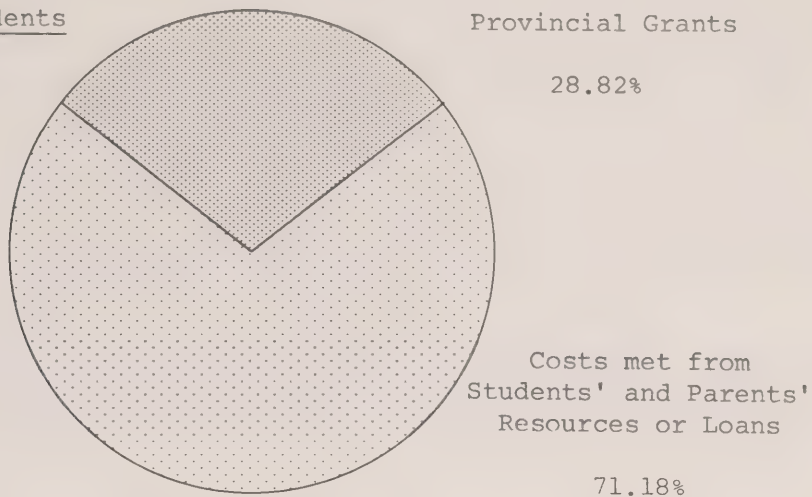
Chart D: Ontario Student Assistance Program, Full-time Enrolment in Ontario Universities and Colleges, and OSAP Recipients*



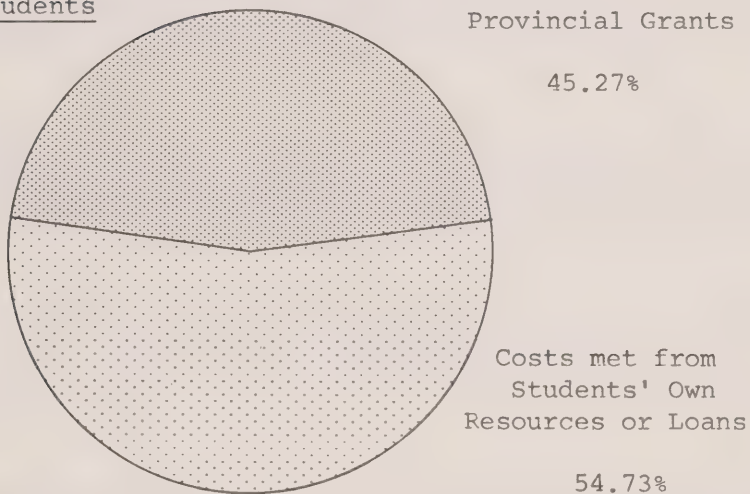
* Refer to Table B, page 30 for exact figures

Chart E: Ontario Student Assistance Program, Costs of Students
Applying for Grants

Dependent Single Students



Independent Single Students



Married Students

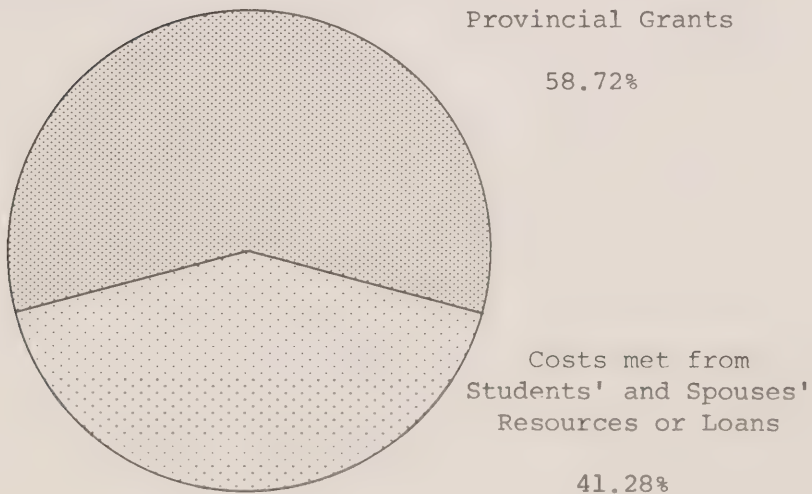
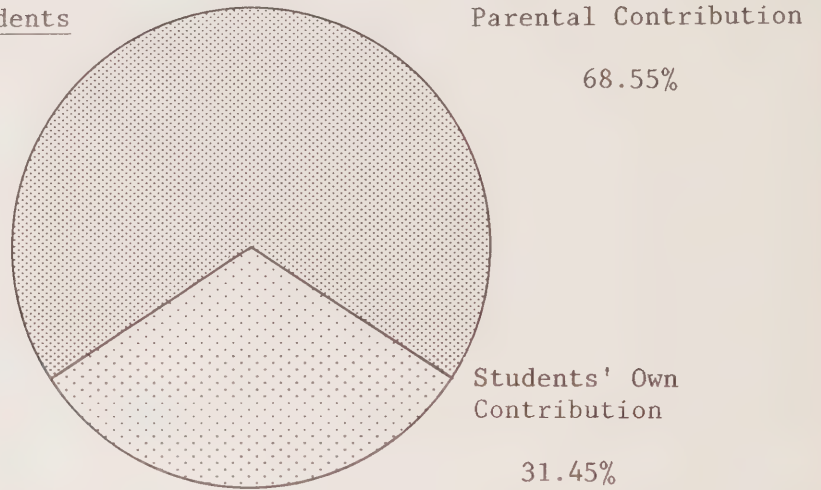
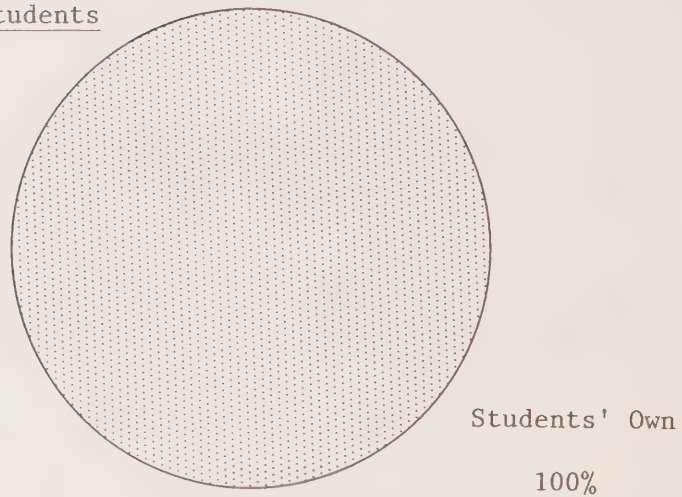


Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

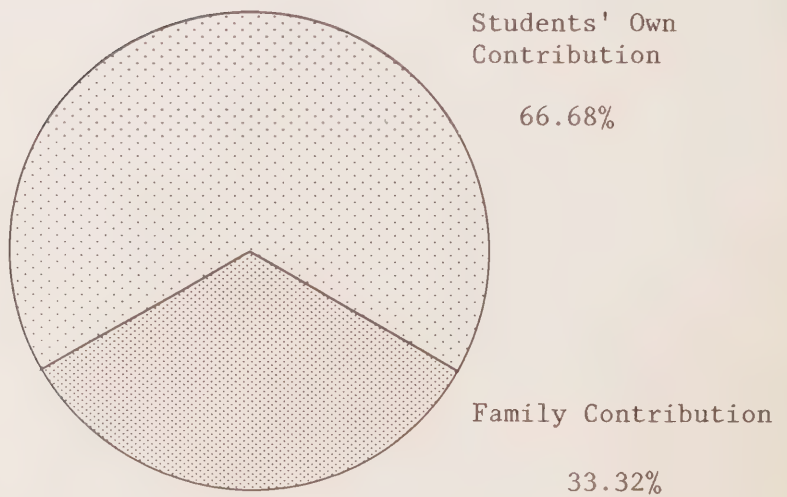
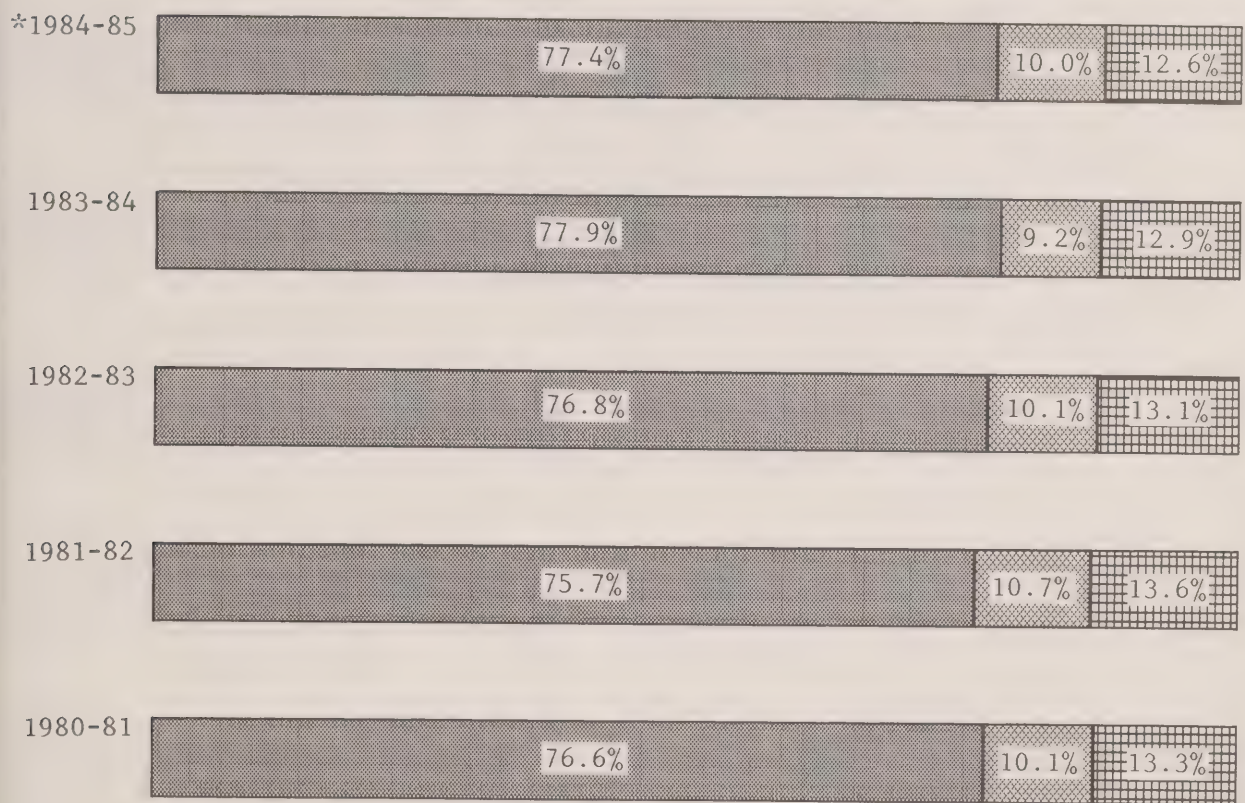
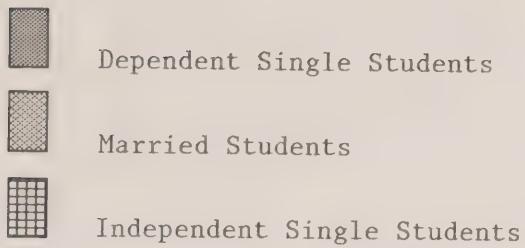


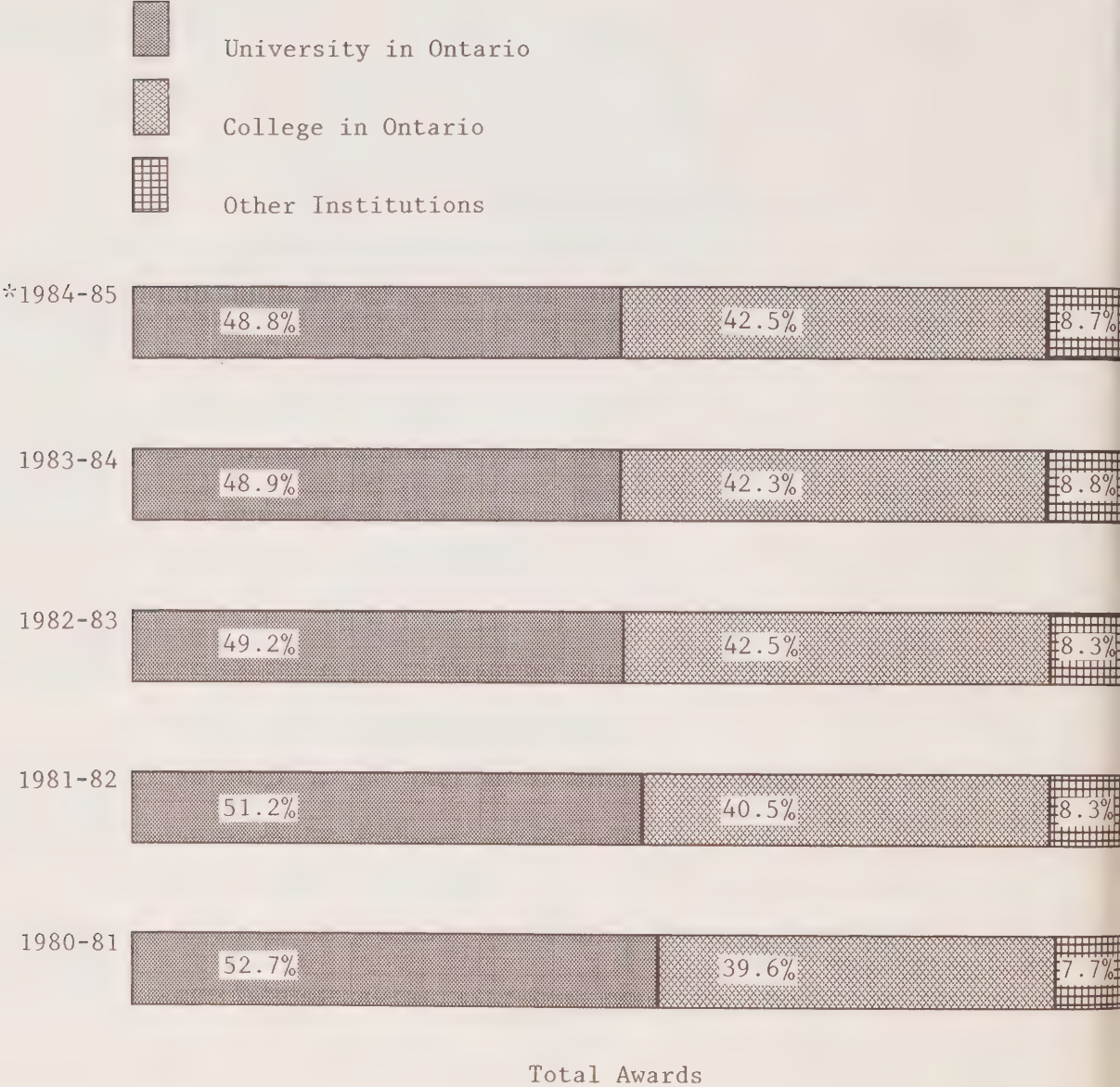
Chart G: Ontario Student Assistance Program, Grant Awards by Group



Total Awards

* refer to Table 3, page 9 for actual 1984-85 figures.

Chart H: Ontario Student Assistance Program, Grant Awards by Institution Type



* refer to Table 2, page 8 for actual 1984-85 figures.

Chart I: Ontario Student Assistance Program, Parental Gross Income of
Dependent Single Students Receiving Grants*

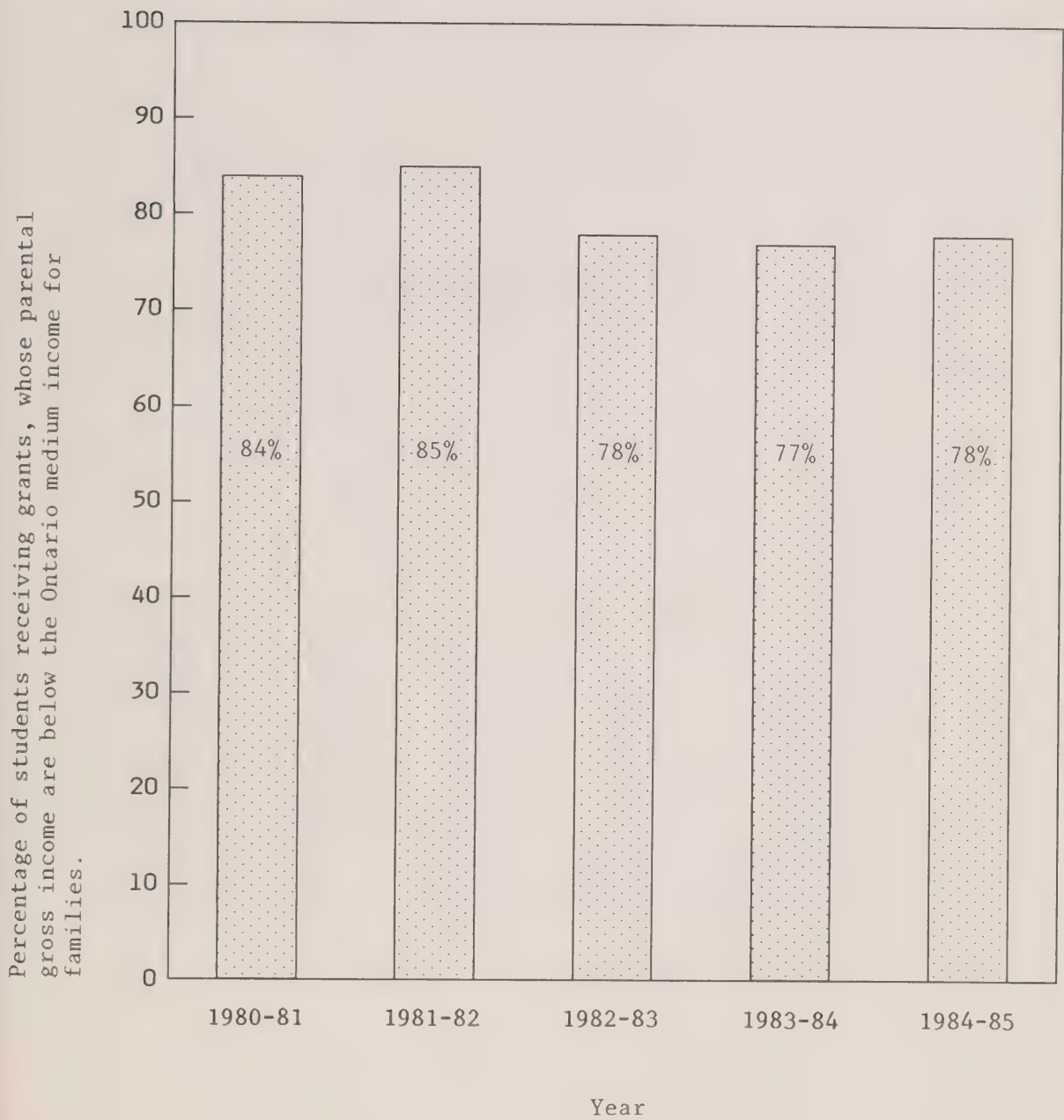
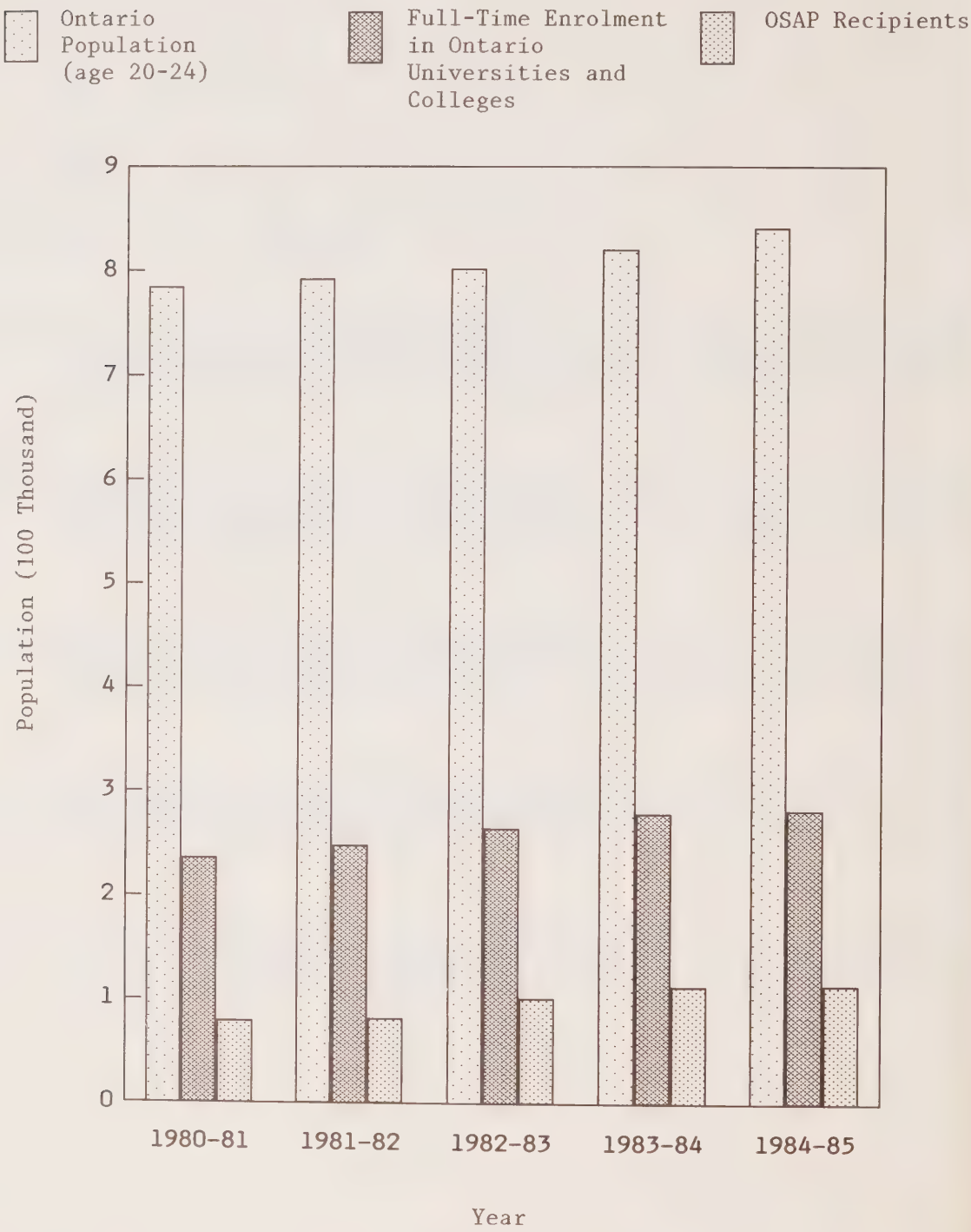


Chart J: Ontario Student Assistance Program, Ontario Population⁶
(Age 20-24), Full-time Enrolment in Ontario Universities
and Colleges, and OSAP Recipients

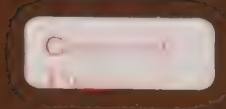


⁶ Source: Ontario Statistics 1985



Ministry of
Colleges and
Universities

Hon. Gregory Sorbara, Minister
Alan K. Adlington, Deputy Minister



CA2ØN
DG120
R25

REPORT OF THE
**ONTARIO
STUDENT
ASSISTANCE
PROGRAM**

1985/86



.....

**REPORT OF THE
ONTARIO
STUDENT
ASSISTANCE
PROGRAM
1985/86**

Report of the
Ontario Student
Assistance Program
1985-86

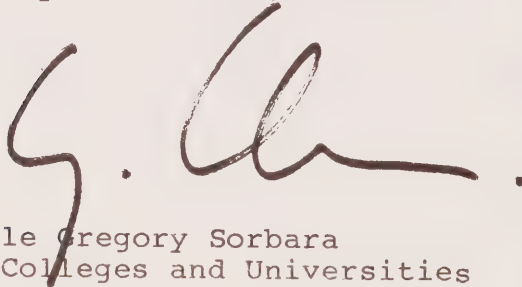
As Minister of Colleges and Universities, I am pleased to present the 1985-86 Report of the Ontario Student Assistance Program (OSAP). This report provides a detailed analysis and review of the financial assistance provided to post-secondary students by the Government of Ontario. It is the eighth annual Report on OSAP since the introduction of the Ontario Study Grant Plan in 1978-79.

OSAP is an integral component of the provincial government's continued commitment to facilitating accessibility to post-secondary education to all qualified students.

The major source for the data presented in this Report was the information provided on students' application forms for financial assistance. Requests for additional information relating to this Report should be directed to:

Student Awards Branch
Ministry of Colleges
and Universities
Mowat Block, Queen's Park
Toronto, Ontario
M7A 1L2

Telephone: (416)965-7191

A handwritten signature in dark ink, appearing to read 'G. Sorbara', with a period at the end. The signature is written in a cursive, flowing style.

The Honourable Gregory Sorbara
Minister of Colleges and Universities

TABLE OF CONTENTS

	<u>Page</u>
Introduction	5
Summary	6
Aid Recipients	8
Amount of Assistance Received	10
Students' Educational Costs and How They Were Met	12
Family Profile of Students Receiving Assistance	13
Study Level/Course Profile	14
Canada Student Loans Program	17
Ontario Student Loans Plan	17
Ontario Special Bursary Plan	20
Ontario Work-Study Plan	21
Resources Expected From Assets	22
Appeal Board	23
Ministry Verification of Information	23
Assistance To Students Enrolled in Private Vocational Schools	24
Conclusion	24

TABLE OF CONTENTS (Con't.)

	<u>Page</u>
Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds	29
B. Full-Time Enrolment and OSAP Recipients	30
C. Grant Awards by Student Group	31
D. Grant Awards - Dollar Ranges	32
E. Average Grant Awards by Student Group	33
F. Grants Received by Dependent Students According to their Parental Gross Income Ranges	34
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	35
H. Contribution from Students' Summer Earnings	36
Appendix 2: Charts	
A. Total Expenditure	39
B. Breakdown of Total Assistance	40
C. Expenditure by Federal and Provincial Governments	41
D. Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	42
E. Costs of Students Applying for Grants	43
F. Resources of Students in Grant Assessments	44
G. Grant Awards by Student Group	45
H. Grant Awards by Institution Type	46
I. Parental Gross Income of Dependent Single Students Receiving Grants	47
J. Ontario Population (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	48

Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920's, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario, provincial grants were introduced in 1966 to supplement the federal loans. In 1978, the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and assessment of financial need.

The Ontario Student Assistance Program consists presently of six plans. The Ontario Ministry of Colleges and Universities finances Ontario Study Grants, Ontario Student Loans, Ontario Special Bursaries and Ontario Work-Study plans. The Federal Secretary of State finances the full-time and part-time Canada Student Loans. This report deals primarily with the four provincially funded plans.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents in order that they have access to postsecondary education. In order to meet this objective, assistance is provided in the form of non-repayable grants (for the first four years of postsecondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake postsecondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1985-86. It analyses the assistance provided under the program - to whom aid was given, in what form, etc. It also reviews the program's operation in terms of its individual components and verification.

Wherever possible, comparative data are provided for earlier years. All amounts shown are in "current dollars". No allowance has been made for inflation. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to take out the first \$1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province.

In 1985-86 a student was classified as Group B (independent) for grant assessment if he/she was married or was a single

parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had been out of secondary school for four full years. A student who did not meet the above criteria was classified as Group A (dependent).

Summary¹

The highlights of the program in 1985-86 are as follows:

- . During the academic year 1985-86², a total of 109 395 students received aid in the form of loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was \$385.40 million³; \$115.40 million of this was in the form of grants, and \$270.00 million in the form of loans (see Table 1, page 8).
- . Approximately 38 per cent of the total grants provided to dependent single students was received by students whose parents earned incomes less than \$10 001, and 78 per cent by students with parental incomes less than \$20 001.
- . Of all students in full-time enrolment in Ontario colleges and universities, 34 per cent received assistance under the Ontario Student Assistance Program. Of these, 27 per cent received a mix of grants and loans, and 7 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities dropped slightly over that of the previous year.
- . The average value of grants for all the three categories of students increased in 1985-86: there was a 13 per cent increase for dependent single students, a 2 per cent increase for independent single students, and a 9 per cent increase for married students (see Table 5, page 10).

-
1. Detailed tables on the various distributions of these awards are provided as appendices to this report. Information presented as percentages in the summary is rounded off to the nearest whole percent.
 2. An academic year covers the period from July of one year to August of the following year (from September to the following April for most students), and overlaps two government fiscal years which run from April of each year to the following March.
 3. Assistance consists of loans and grants provided to students and does not include the expenditure made on interest payments and defaults on loans.

- . The number of grant awards for students enrolled in private vocational schools decreased by 6 per cent; awards for university and colleges of applied arts and technology students eligible for grants decreased by 5 per cent and 7 per cent respectively.
- . There was a small decrease in the number of married students receiving grants (0.02 per cent). The number of dependent and independent single students receiving grants decreased by 7 per cent and 6 per cent respectively.
- . Of the total grant awards, 54 per cent were made to female students and 46 per cent to male students (see Table 4, page 9).
- . Of the students enrolled in Ontario's universities, 40 277 received assistance in the form of grants or a mix of grants and loans. Approximately 96 per cent of these students were enrolled in undergraduate programs. The remainder were enrolled in graduate programs or diploma, certificate and other non-degree programs.
- . Of the students enrolled in Ontario's colleges, 34 289 received grants and/or loans. These students were enrolled in the following programs: 30 677 in diploma programs, 3594 in certificate programs, and 18 in other programs.
- . A total of 2589 students, an increase of 54 per cent from 1984-85, received funds under the Ontario Work-Study Plan. This plan was introduced in 1982-83 to help students with special financial needs not met under the regular OSAP assessment.
- . A total of 2 564 students, an increase of 3 per cent from 1984-85, received assistance from the Ontario Special Bursary Plan.

Aid Recipients

For the academic year 1985-86, a total of 81 762 grant awards were issued for a dollar value of \$115.40 million. In addition, 109 395 loans were issued for an amount of \$270.00 million, consisting of \$243.31 million in federal loans and \$26.69 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 1 shows.

Table 1: Student Awards by Type (for 1984-85 refer to Chart B, page 40)

	Number of Awards		Dollar Value (in millions)	
Grants	81 762	(42.77%)	\$115.40	(29.94)
Loans	109 395	(57.23%)	\$270.00	(70.06%)
Total	191 157		\$385.40	

There was a decrease (5.96 per cent) in the total number of grant awards issued in 1985-86. The decrease in loan awards for the same period was 4.35 per cent.

Of the total grant awards issued in 1985-86, 40 277 were made to students attending universities in Ontario and 34 289 to students enrolled in Ontario colleges of applied arts and technology.

Of the total loan awards, 27 633 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1985-86. Out of the total loans issued 56 466 were to Ontario university students and 37 998 to college students. Table 2 presents a breakdown of loan and grant assistance.

Table 2: Student Awards by Type of Institution Attended

Institution Attended	Grants		Loans	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	40 277 (49.26%)	\$59.09 (51.20%)	56 466 (51.62%)	\$146.53 (54.27%)
College in Ontario	34 289 (41.94%)	\$48.07 (41.66%)	37 998 (34.73%)	73.94 (27.39%)
Other Institution*	7 196 (8.80%)	\$8.24 (7.14%)	14 931 (13.65%)	\$49.53 (18.34%)
Total	81 762	\$115.40	109 395	\$270.00

* Other institution includes private vocational schools and postsecondary institutions outside Ontario.

The breakdown of loans and grants by the type of student is summarized in the following Table.

Table 3. Number (Per Cent) of Student Awards by Type of Student
(for grant awards since
1971 refer to Table C, page 31)

	Grants	Loans
Dependent single students	62 726 (76.72%)	66 844 (61.10%)
Independent single students	10 379 (12.69%)	30 390 (27.78%)
Married Students*	8 657 (10.59%)	12 161 (11.12%)
Total	81 762	109 395

*Included in the married students are 4723 single parents who received grant and loan assistance and 1230 single parents who were awarded loans only.

Of the grant awards 76 365 (93.40 per cent) were made to Canadian citizens, and the remainder (5397) to permanent residents (landed immigrants). With respect to loan awards, 101 827 (93.08 per cent) were issued to Canadian citizens, and 7568 (6.92 per cent) to permanent residents.

During the academic year 1985-86, grant awards to female students increased slightly (2 per cent), as shown in Table 4.

Table 4: Students Receiving Assistance, Broken Down By Sex

	Grants		Loans	
	1984-85	1985-86	1984-85	1985-86
Male Students	40 399 (46.46%)	37 380 (45.72)	54 230 (47.42%)	51 135 (46.74)
Female Students	46 548 (53.54%)	44 382 (54.28%)	60 139 (52.58%)	58 260 (53.26%)
Total	86 947	81 762	114 369	109 395

Amount of Assistance Received

Of the total amount of grants, 69.83 per cent was received by single dependent students; independent single students and married students received 17.22 per cent and 12.95 per cent respectively of the total grants. Table 5 shows the average grant assistance for the three groups of students and the change from 1984-85.

Table 5: Average Grant Assistance by Type of Student

(for 1981 to present, refer to Table E, page 33)	1984-85	1985-86	%
			change
Dependent single students	\$1132	\$1278	+12.90
Independent single students	\$1874	\$1906	+1.71
Married Students	\$1573	\$1718	+9.22

The increase in the average grant assistance to dependent single and married students reflects the increase in the personal and living allowances provided to dependent single students and major changes of the method of need assessment made to married students.

The average grant assistance to dependent single students shown in Table 5 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 67.00 per cent lived away from home during 1985-86. The corresponding percentage for 1984-85 was 65.70.

The award profile of students according to the type of institution they attended is shown in Table 6.

Table 6: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant		% change
	1984-85	1985-86	
University in Ontario	\$1303	\$1467	+12.59
College in Ontario	\$1274	\$1402	+10.05
Other Institution	\$1064	\$1145	+7.61

Average grant awards for students in Ontario's postsecondary institutions have increased in 1985-86. Awards for students enrolled in universities and colleges increased by 12.6 per cent and 10.1 per cent respectively.

The figures for loans issued in 1985-86 are shown in Tables 7 and 8. The average loan assistance to dependent single students decreased by 4.82 per cent mainly because of the corresponding increase in grants for these students. However, average loans for independent single students have increased

by 2.83 per cent because of the increases in living and transportation costs allowed in loan assessments with no corresponding increases in their grant ceilings.

Table 7: Average Loan Assistance by Type of Student

	1984-85	1985-86	% change
Dependent single students	\$1847	\$1758	-4.82
Independent single students	\$3323	\$3417	+2.83
Married Students	\$3824	\$3760	-1.67

Table 8: Average Loan Assistance by Type of Institution Attended

Institution Attended	Average Loan		% Change
	1984-85	1985-86	
University in Ontario	\$2595	\$2595	0.00
College in Ontario	\$1992	\$1946	-2.31
Other Institution	\$3252	\$3317	+2.00

There has been an increase in loan assistance received by students attending other institutions. The primary reason for this is the generous levels of costs, especially the personal and living allowance and local transportation allowed in the loan assessment.

Table 9 shows the distribution of 'grant' awards for the two academic years 1984-85 and 1985-86.

Table 9: Distribution of 'grant' Awards by Value
(for 1982 to present, refer to Table D, page 32)

Value of 'grant' Awards	Percentage of Recipients	
	1984-85	1985-86
\$ 1 - \$ 500	11.31	10.20
\$ 501 - \$1000	13.84	12.19
\$1001 - \$1500	13.80	13.38
\$1501 - \$2000	13.30	12.94
\$2001 - \$2500	19.13	19.95
\$2501 - \$3000	8.33	8.10
Over \$3000	20.29	23.24
Total	100.0	100.0

As Table 9 indicates there was an increase (2.95 per cent) in awards in the over \$3 000 range in 1985-86.

In 1985-86 about 27 100 students who applied for assistance did not receive any grant awards because their resources were in excess of the costs calculated under the grant program.

The size of grant awards assessed during 1985-86 varied according to the individual circumstances of students applying for assistance. The grant awards ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Students' Educational Costs and How They Were Met

The total costs of students attending postsecondary institutions are made up of tuition fees, ancillary fees, book and equipment costs, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources to the extent needed to meet these costs. During 1985-86 student costs in the grant assessments consisted of 21.56 per cent for tuition fees, 57.77 per cent for food and accommodation, 11.31 per cent for books and equipment, and the balance (9.36 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 10. They reflect the general increase in costs for all students.

Table 10: Average Student Cost by Type of Student

	1984-85	1985-86	% Change
Dependent single students	\$3927	\$4198	+6.90
Independent single students	\$4144	\$4410	+6.42
Married Students	\$2676	\$2745	+2.58

The average student costs by type of institution attended are given in Table 11.

Table 11: Average Student Costs by Type of Institution Attended

	1984-85	1985-86	% Change
University in Ontario	\$4199	\$4524	+7.74
College in Ontario	\$3533	\$3695	+4.59
Other Institution	\$3213	\$3329	+3.61

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school). For students attending Ontario's universities, the average tuition fee increase in

1985-86 was \$59. Tuition fee increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately \$31.

Approximately 65 per cent of the total educational costs of all students eligible for grants in 1985-86 was met out of the resources of the students and/or their families. The remaining 35 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the percentage of total costs met by non-repayable grants is as follows: for dependent single students - 30.45 per cent, for independent single students - 43.22 per cent and for married students - 62.60 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the student's own contribution (32.19 per cent) and a parental contribution (67.81 per cent). Parental contribution accounted for about 69.78 per cent of the total resources for students living away from home and 62.05 per cent for students living with parents while at school. The latter parents provided assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 68 percent of the dependent single students who received grant assistance in 1985-86 were from families with one or two children. The distribution of families by number of children is given in Table 12.

Table 12: Family Size of Dependent Single Students Receiving Grants

Number of children	% of Students
1	35.51
2	32.58
3	20.50
4	8.13
5+	3.28
Total	100.0

The grants received by dependent single students depended on their parental incomes and also on other factors such as the number of children in their family and, in particular, the number of children attending postsecondary institutions. The average award for students whose parental incomes were \$15 000 or lower was \$2651, while the average award for those whose parents earned over \$30 000 was \$185. Table F on page 34 summarizes the average grant per income range for 1984-85 and 1985-86.

Approximately 60 per cent of the total grant assistance provided to dependent single students was received by students whose parental incomes were \$15 000 or less. An additional 35 per cent was received by students whose parents earned between \$15 001 and \$30 000. Approximately five per cent of the total grant funds reached students whose parents were earning in excess of \$30 000. The actual amount of assistance depends on a 'need assessment' which takes into account the resources of the students and the costs they are expected to incur during the study period.

Statistics Canada's median⁴ income for families in Ontario for 1985 was \$37 609. Students who came from families below the median income received approximately \$80.00 million in grants, which represents 99.3 per cent of our total grants provided to dependent single students in 1985-86.

The 60.92 per cent majority of married students who received grants in 1985-86, had a family gross income below \$10 001. Close to 35 per cent of married students had incomes below \$5001.

Study Level/Course Profile

The students who were assisted with grants in 1985-86 were, for the most part, enrolled in postsecondary courses of twenty-six to thirty-eight weeks duration. The grant recipients in 1985-86, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (%) by Type of Institution and Length of Course

Course Length	Per Cent In Ontario's Universities	Per Cent In Ontario's Colleges	Per Cent In Other Institutions
Less than 19 weeks	7.20	12.70	20.08
20 - 25 weeks	1.06	2.01	5.91
26 - 32 weeks	13.56	6.24	27.81
33 - 38 weeks	70.90	69.05	21.80
Over 38 weeks	7.28	10.00	24.40
Total	100.0	100.0	100.0

4. Median is a statistical term which indicates the value of a quantity that divides a given population in half. In this example the median family income in Ontario is \$37,609. Therefore half of the family incomes in Ontario are greater than \$37,609 and half are less.

In the past five years there has been a general shift in the course length distributions from the "26 - 32 weeks" to "Over 33 weeks" categories. This shift represents a very slight increase in the program lengths of courses offered at the various postsecondary institutions in Ontario. In part, it could be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner, or the fact that many institutions have structured their programs to run throughout the year without a break in the summer in order to make effective use of the facilities available.

Universities in Ontario

Because of the restriction on grants to the first four years of postsecondary study, most of the grant recipients in 1985-86 (96.32 per cent) were enrolled in undergraduate programs. About 3.68 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (71.57 per cent) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1985-86 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants,
By Type of Program

Faculty	Percentage of Students
Arts and Sciences	71.57
Engineering and Technology	9.28
Administration/Business	8.10
Health Sciences	4.84
Education and Social Work	3.48
Other	2.73
Total	100.0

Of the students who received only loans, 14.7 per cent were enrolled in graduate programs, and the remaining applicants (85.3 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (programs in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1985-86.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Other (cert. and diploma)
Arts and Sciences	49.76	47.06	49.58
Education and Social Work	10.62	10.72	17.86
Law	9.95	0.59	0.50
Engineering and Technology	9.11	3.45	10.35
Medicine	8.30	1.72	1.34
Administration/Business	5.26	20.61	11.69
Health Sciences	4.06	6.48	1.67
Other	2.94	9.37	7.01
Total	100.0	100.0	100.0

Colleges in Ontario

The programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1985-86 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants,
by Type of Program

Faculty	Percentage of Students
Administration/Business	31.48
Arts and Sciences	20.47
Engineering and Technology	20.27
Health Sciences	15.73
Education and Social Work	7.90
Trades and Vocations	2.08
Other	2.07
Total	100.0

Table 17 shows the distribution of college students receiving only loans in 1985-86.

Table 17: Distribution of College Students Receiving only Loans,
By Type of Program

Faculty	Percentage of Students	
	Diploma	Certificate
Health Sciences	24.33	32.91
Engineering and Technology	24.27	18.90
Administration/Business	23.99	21.66
Arts and Sciences	19.29	9.55
Education and Social Work	5.66	2.76
Other	2.46	14.22
Total	100.0	100.0

Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the student aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past eight years is shown in Table 18.

There was a large increase in the total Canada Student Loans assessed in 1983-84 and this is the result mainly of a change in the Canada Student Loan Act which almost doubled the maximum loan assistance which students could receive.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Eligible for Loan Assistance	Amount of Loans Assessed (in millions)
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39
1981-82	81 180	\$101.91
1982-83	100 778	\$146.54
1983-84	112 452	\$228.35
1984-85	114 369	\$255.64
1985-86	109 395	\$243.31

The levels of costs and allowances under the Canada Student Loans Program are generally less stringent than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans, as required, to meet their additional expenses related to life style differences.

Ontario Student Loans Plan

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their study program was less than twenty-six weeks, their program of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The provincial loan plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at \$1800 from 1974 to 1983 in spite of annual

increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans now top off the federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. Table 19 illustrates the disbursement of provincially guaranteed loans since 1977-78.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95
1981-82	\$27.65
1982-83	\$51.34
1983-84	\$24.92
1984-85	\$26.94
1985-86	\$26.68

The steep increase in Ontario Student Loans in 1982-83 was due to a change in the tables for calculating the contribution from parental income, which reduced the amount of money that parents were expected to contribute to the education of their daughter or son. As Ontario Student Loans supplement Canada Student Loans, there was a significant increase in 1982-83 in the amount of Ontario Student Loans issued. The ceiling on the federal loans was increased to \$105 per week in 1983-84, and this accounts for the subsequent drop in Ontario Student Loans.

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks under provincial guarantee. The figures in Table 20 are self-explanatory. The large increase in loan defaults in 1985-86 is mainly because of the early receipt of the claims under the provincial guarantee which were processed before the end of the fiscal year.

Table 20: Ontario Student Loans - Interest and Claims

Year	Interest on Loans	Claims Paid Under Guarantee	
		Number	Amount
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76
1981-82	\$4 910 029.01	1493	\$2 276 193.99
1982-83	\$6 054 284.09	1159	\$2 282 985.91
1983-84	\$7 161 107.87	2161	\$4 731 173.13
1984-85	\$7 065 405.08	2325	\$6 118 859.92
1985-86	\$5 845 658.97	4550	\$8 633 031.03

Under the Ontario Student Assistance Program, 191 251 provincial loans have been negotiated since its inception and only 5.66 per cent of these loans has been claimed by banks as defaults. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a claim rate of 14.93 per cent.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once the amounts claimed are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrowers. Quite a number of the defaulted loans are recovered from the students, usually with a commitment to provide repayment over an agreed period of time in the future. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts collected in the last three years was \$519 750 in 1983-84, \$954 890 in 1984-85 and \$1,684,220 in 1985-86.

The value of loans claimed since the inception of the Ontario Student Loans Plan is approximately \$20.47 million. These claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

In an attempt to reduce claims, students are advised, when they are located, about the consequences of loan defaults. As well as repaying the loan debt to a collection agency, the defaulters face consequences: no consideration for further assistance until one year after the full repayment of the debt and accumulated interest, and registration of the default with a credit bureau, thus affecting the individual's ability to obtain further credit.

Table 21: Student Loan Claims By Amount

Claim Ranges	Per Cent of Loan Accounts
\$ 1 - \$ 500	13.12
\$ 501 - \$1000	19.92
\$1001 - \$1500	13.88
\$1501 - \$2000	19.03
\$2001 - \$2500	10.59
\$2501 - \$3000	6.59
\$3001 - \$3500	3.77
\$3501 - \$4000	3.76
\$4001 and over	9.34
Total	100.0

As Table 21 shows, close to 66 per cent of the provincial claims were in the less than \$2001 range.

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Unwillingness/Non-cooperation	37.39
Inability to locate/trace/contact student borrower	30.79
Unemployment	13.56
Bankruptcy	4.26
Illness	2.00
Death	1.44
Other miscellaneous reasons	10.56
Total	100.0

Ontario Special Bursary Plan

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past ten years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1983-84 to 1985-86 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1983-84	1984-85	1985-86
Number of students assisted	2 217	2 496	2 564
Total assistance provided	\$1 021 649	\$1 140 379	\$1 231 947
Average bursary award	\$ 461	\$ 457	\$ 480
Maximum bursary	\$ 1 200	\$ 1 200	\$ 1 200

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60 per cent course load or less. However, because of its suitability for students in skills-upgrading programs, students enrolled in these programs with a course load of over 60 per cent are also permitted now to apply for this program.

Of the total number of students who received bursary assistance in 1985-86, about 21 per cent were males and 79 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	Per Cent of Students
Single students	33.15
Single parents	56.16
Other married students	10.69
Total	100.0

Of all the bursary recipients, 84.24 per cent had no employment to report during the period of study. The remaining 15.76 per cent of bursary students had some kind of employment - 3.08 per cent were employed full-time, and 12.68 per cent reported part-time employment.

A large number of bursary recipients in 1985-86 (76.72 per cent) were receiving direct or indirect support of some kind from a government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	Per Cent of Students
Family Benefits allowances	43.53
General Welfare allowances	22.54
Unemployment insurance benefits	5.73
Other pension benefits	3.24
Manpower allowance	0.66
Workers' Compensation benefits	0.51
Rehabilitation benefits	0.47
Penitentiary allowances	0.04
Subtotal	76.72
Those receiving no support	23.28
Total	100.0

A large majority of the bursary recipients did not have any prior postsecondary education. Of the total bursary recipients 14.78 per cent had some postsecondary education. Another 9.75 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 48.81 per cent were single parents.

Ontario Work-Study Plan

In 1982-83 a new plan called the Ontario Work-Study Plan was introduced as part of the Ontario Student Assistance Program. The objective of this plan is to provide the financially needy students with additional funds in the form of remuneration for work done, in order to help them meet their special costs without an excessive dependence on loans. This plan emphasizes the principle of self-help, and permits students to make up the shortfall in their cash requirements by working in or around the campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the local sponsors.

The expenditure for the program in the fiscal year 1985-86 was \$658 201 which represents a half share of the total outlay for the plan. The response to the plan has been enthusiastic from both students and the postsecondary institutions which participated in the plan.

A breakdown of the recipients of Work Study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution

	# of Recips.	As % of Total
Universities in Ontario	1743	67.32
College in Ontario	846	32.68
Total	2589	100.0

The main reasons which prompted these students to apply for work study funds were: high loan indebtedness (23.51 per cent), expected resources unavailable (18.26 per cent), costs not recognized under OSAP (17.54 per cent), and lack of parental contribution (15.59 per cent).

Resources Expected From Assets

The policy requiring a contribution from assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected, based on the net value of the student's or family's assets,

when determining the student's financial need. Because of this contribution from assets, funds available in the program could be directed to those students who needed assistance most. In 1985-86, 3835 students who received grants had a contribution from parental assets, the average contribution being \$833 per student. The average contribution from the 626 married students with assets was \$750 per student. There were 3046 students receiving grants who had a contribution expected from their own assets, the average amount being \$628 per student.

The Appeal Board

Students with unique circumstances which are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an Appeal Board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators.

During the 1985-86 academic year, 1190 appeals were handled by the Appeal Board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spousal refusal or inability to contribute. These appeals in 1985-86 resulted in the awarding of \$926 422 in additional grants and \$1 794 882 in additional loans to students. As an independent external body, the Appeal Board ensures equity in individual cases, and provides additional support funds when needed.

Ministry Verification of Information

The main purpose of the ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected at the ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the financial aid administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the ministry. Files maintained at the financial aid offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the ministry fully preserves the confidentiality of the information provided.

In 1985-86, 11 629 selected files were examined in detail for accuracy of assessments as part of the general audit of student data. The results of this examination showed underpayments of \$783 597 and overpayments of \$2 804 323. A total of 6227 cases were involved in these adjustments.

Ninety-four cases were investigated for suspected fraud or misrepresentation. Thirty-one cases were referred to the Ontario Provincial Police or the Royal Canadian Mounted Police. Convictions were obtained in all five cases that reached trial and were concluded in court during the year.

Assistance to Students Enrolled in Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1985-86, 43 private vocational schools participated in the grant plan.

During the year 1985-86, 5128 students enrolled in private vocational schools received grant assistance totalling \$5.51 million. The number of students who received grants in 1985-86 represents a decrease of 6.46 per cent over that in the previous year. The average amount of grant assistance provided to these students in 1985-86 was \$1074. Grant assistance to these students is restricted to a maximum of \$1000 per term. This explains why there has been a corresponding increase in the loan assistance received by these students.

Private vocational school students who received grant assistance in 1985-86 were enrolled mainly in administration or business programs, engineering and technology, and trades and vocations. The participation in OSAP by students from private vocational schools in Ontario for 1984-85 and 1985-86 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	1984-85		1985-86	
	Grants	Loans	Grants	Loans
Number of Students receiving aid	5482	7734	5128	7191
Total value of aid received (in millions)	\$5.51	\$27.65	\$5.51	\$26.18

Conclusion

In its eighth year of operation, the Ontario Study Grant Plan has promoted accessibility to postsecondary education for Ontario residents by providing 81 762 students with a total of \$115.40 million as need-based, non-repayable grants. In addition, federally guaranteed loans of \$243.31 million and provincially guaranteed loans for \$26.69 million were also issued to students in 1985-86. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 109 395 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1985-86 constituted 33.61 per cent of the total full-time enrolment in Ontario's universities and colleges.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1985-86 over 77 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group.

Of the total amount of assistance provided as grants to dependent single students, approximately 47 per cent was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 47.22 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. A supplementary personal and living allowance, ranging from \$5 to \$15 per week of study, for students residing in their parents' homes while attending school, was given to 3,733 students from low income families. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1985 is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families
Under \$10 000	4.2
\$10 000 - \$11 999	1.8
\$12 000 - \$14 999	4.9
\$15 000 - \$16 999	3.6
\$17 000 - \$19 999	4.8
\$20 000 - \$21 999	3.5
\$22 000 - \$24 999	4.1
\$25 000 - \$26 999	3.8
\$27 000 - \$29 999	5.1
\$30 000 - \$31 999	3.6
\$32 000 - \$34 999	5.9
\$35 000 - \$36 999	3.5
\$37 000 - \$39 999	5.8
\$40 000 - \$44 999	8.6
\$45 000 - \$49 999	7.3
\$50 000 - \$59 999	12.0
\$60 000 - and over	17.5
Total	100.0
Average income	\$41 775
Median income	\$37 609

It can be seen from Table 28 that approximately 50 per cent of the families in Ontario had incomes below \$37 609. This can be matched with the family income profile of the dependent single students who received assistance in 1985-86. For example, 81.68 per cent of the students who received grants in 1985-86 came from families with incomes below the median level.

Various factors affect the student's decision to enrol or continue in postsecondary study; availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

.....

APPENDIX ONE

TABLES

Table A: Ontario Student Assistance Program, Total Provincial Expenditure -
Grants, Loan Interest and Claims, Bursaries, Work Study Funds

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Ontario Work Study Plan	Total
1986-86	117 654 282	14 478 690	1 231 947	658 201	134 023 120
1984-85	111 997 110	13 184 265	1 140 379	341 659	126 663 413
1983-84	106 843 710	11 892 281	1 021 649	167 406	119 925 046
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	-	86 423 755
1980-81	85 377 688 ¹	4 036 600	477 471	-	89 891 759
1979-80	84 009 164 ¹	1 373 440	409 394	-	85 791 998
1978-79	78 989 259 ¹	424 177	427 736	-	79 841 172
1977-78	66 491 360	284 529	427 880	-	67 203 769
1976-77	54 973 977	116 093	300 137	-	55 390 207
1975-76	49 117 077	29 448	208 583	-	49 355 108
1974-75	39 445 128	22 329 ²	141 648 ³	-	39 609 105
1973-74	31 238 657	-	-	-	31 238 657
1972-73	23 115 327	-	-	-	23 115 327
1971-72	28 882 135	-	-	-	28 882 135

1. Includes loan remission

2. Part-time Student Loans Program

3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipients

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients ⁴ (Grant and Loan)
1985-86	278 862	109 395
1984-85	281 620	114 369
1983-84	278 416	112 452
1982-83	264 658	100 778
1981-82	247 533	81 180
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

⁴ Enrolled in Ontario universities and colleges, and also in private vocational schools, and other postsecondary institutions.

Source: Ministry of Colleges and Universities, Management Information Systems report
Ministry of Colleges and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

Program Year	Total Awards Issued	Dependent Single Students - Number of Awards	Married Students - Number of Awards	Independent Single Students - Number of Awards
1985-86	81 762	62 726 (76.7%)	8 657 (10.6%)	10 379 (12.7%)
1984-85	86 947	67 266 (77.3%)	8 659 (10.0%)	11 022 (12.7%)
1983-84	86 930	67 755 (77.9%)	7 983 (9.2%)	11 192 (12.9%)
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Grant Awards - Dollar Ranges

	1983-84	1984-85	1985-86
Range of Award	Recipients (as % of total)	Recipients (as % of total)	Recipients (as % of total)
\$ 1 - 500	12.22	11.31	10.20
501 - 1000	15.00	13.84	12.19
1001 - 1500	15.43	13.80	13.38
1501 - 2000	13.65	13.30	12.94
2001 - 2500	18.63	19.13	19.95
2501 - 3000	8.72	8.33	8.10
3001 - 3500	7.98	7.93	7.65
3501 - 4000	5.08	6.63	6.25
Over \$4000	3.29	5.73	9.34
Total	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Group

Student Group	1983-84	1984-85	1985-86*
A	\$1086	\$1132	\$1278
B (single)	1865	1874	1906
B (married)	1367	1573	1718

* refer to Table 5, page 10 for a discussion of the 1985-86 figures

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Grants Received by Dependent Students According to their Parental Gross Income Ranges

1984-85 and 1985-86

Parental Gross Income Ranges	Grant Recipients (as % of Total)		Total Grants Assessed (as % of Total)		Average Grants/ Income Range	
	1984-85	1985-86	1984-85	1985-86	1984-85	1985-86
\$ 1 - \$8 000	13.86	13.53	31.83	29.24	2 586	2 773
8 001 - 9 000	2.11	2.04	4.57	4.23	2 443	2 660
9 001 - 10 000	2.20	2.12	4.84	4.45	2 471	2 700
10 001 - 11 000	2.15	2.21	4.68	4.51	2 449	2 623
11 001 - 12 000	2.31	2.36	4.73	4.79	2 306	2 605
12 001 - 13 000	2.34	2.26	4.56	4.42	2 189	2 515
13 001 - 14 000	2.36	2.25	4.34	4.23	2 064	2 413
14 001 - 15 000	2.46	2.34	4.43	4.24	2 028	2 323
15 001 - 16 000	2.43	2.36	4.08	4.03	1 893	2 186
16 001 - 17 000	2.50	2.35	3.92	3.77	1 765	2 059
17 001 - 18 000	2.48	2.42	3.37	3.49	1 529	1 845
18 001 - 19 000	2.52	2.47	3.15	3.44	1 407	1 790
19 001 - 20 000	2.58	2.55	2.76	3.21	1 207	1 613
20 001 - 25 000	12.72	11.85	10.08	11.07	894	1 199
25 001 - 30 000	12.70	11.91	4.90	5.85	435	631
30 001 - 35 000	11.43	11.51	2.18	2.91	215	325
35 001 - 40 000	9.19	9.83	0.97	1.30	119	170
Over \$40 000	11.66	13.64	0.61	0.82	60	79
Total	100.0	100.0	100.0	100.0	1 086	1 132*

* refer to Table 5, page 10 for a discussion of the 1985-86 figures

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of Parents of Dependent Students Eligible for Grants*

	1983-84	1984-85	1985-86
Parental Gross Asset Ranges	Per Cent of Students	Per Cent of Students	Per Cent of Students
Less than \$1	7.60	8.22	7.75
\$ 1 - 80 000	63.38	61.28	60.18
80 001 - 100 000	11.59	11.83	11.98
100 001 - 120 000	6.51	6.66	7.13
120 001 - 140 000	3.86	4.18	4.44
140 001 - 160 000	2.43	2.67	2.97
160 001 - 180 000	1.42	1.57	1.70
180 001 - 200 000	0.84	1.00	1.03
200 001 - 220 000	0.57	0.64	0.64
220 001 - 240 000	0.37	0.39	0.50
240 001 - 260 000	0.31	0.35	0.36
260 001 - 280 000	0.21	0.20	0.26
280 001 - 300 000	0.15	0.18	0.18
Over \$300 000	0.76	0.83	0.88
Total	100.0	100.0	100.0

* refer also to "Effects that Assets Have on the Amount of Assistance Received"
(page 22)

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students'
Summer Earnings

Contribution Ranges	Per Cent of Students		
	1983-84	1984-85	1985-86
Less than \$1	12.72	12.41	12.53
\$ 1 - 200	0.29	0.21	0.19
201 - 400	0.55	0.44	0.36
401 - 600	21.35	20.30	19.11
601 - 800	1.86	2.02	2.27
801 - 1 000	6.70	8.31	11.89
1 001 - 1 200	47.23	45.10	42.11
1 201 - 1 400	2.49	2.86	2.73
1 401 - 1 600	2.02	2.47	2.63
1 601 - 1 800	1.41	1.57	1.64
1 801 - 2 000	1.12	1.34	1.42
2 001 - 2 200	0.73	0.88	0.93
2 201 - 2 400	0.51	0.63	0.67
2 401 - 2 600	0.38	0.47	0.57
2 601 - 2 800	0.22	0.34	0.34
2 801 - 3 000	0.17	0.21	0.20
Over \$3 000	0.25	0.44	0.41
Total	100.0	100.0	100.0

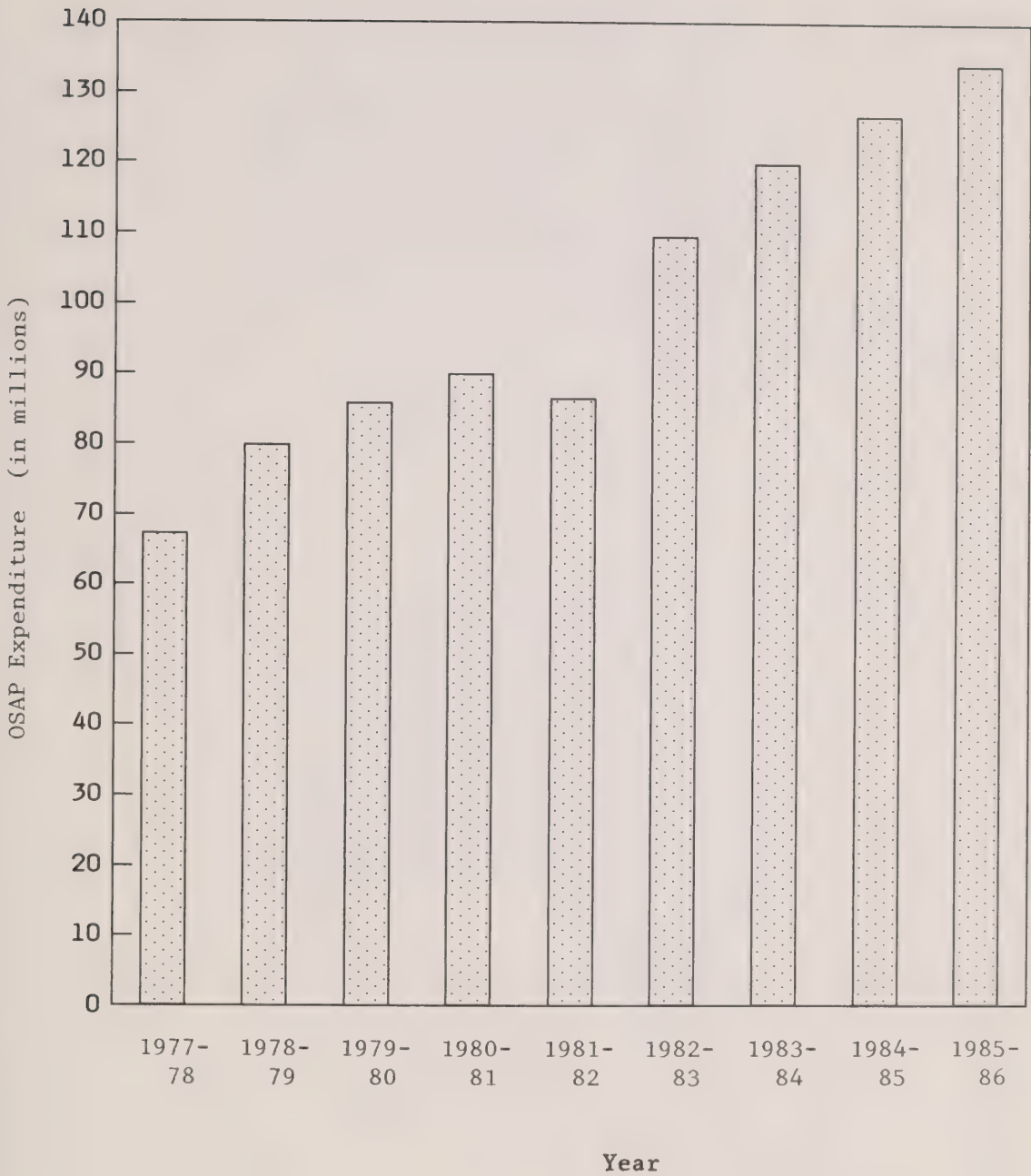
Source: Ministry of Colleges and Universities, statistical reports

.....

A P P E N D I X T W O

CHARTS

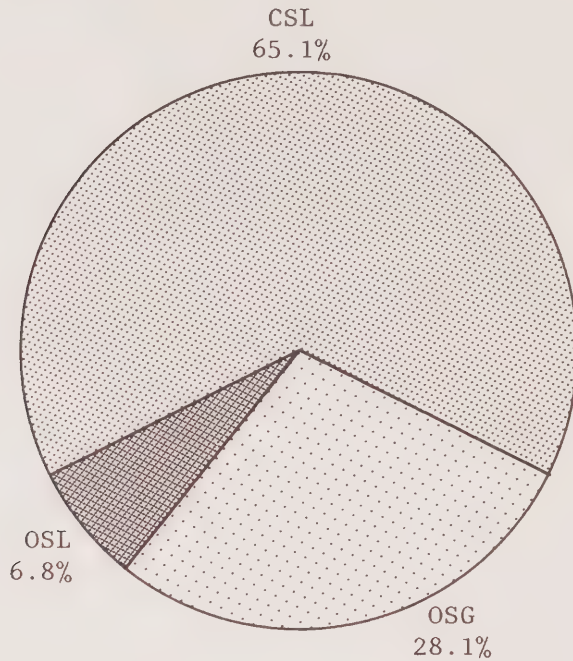
Chart A: Ontario Student Assistance Program, Total Expenditure*



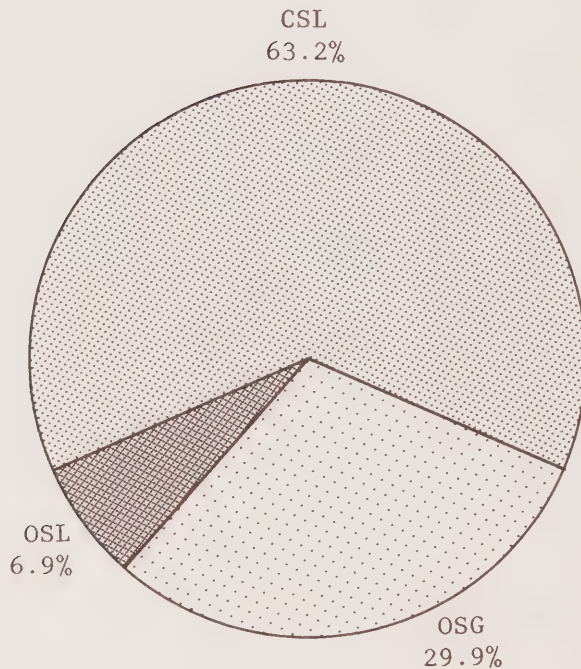
* refer to Table A, page 29 for exact amounts.

Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1984-85



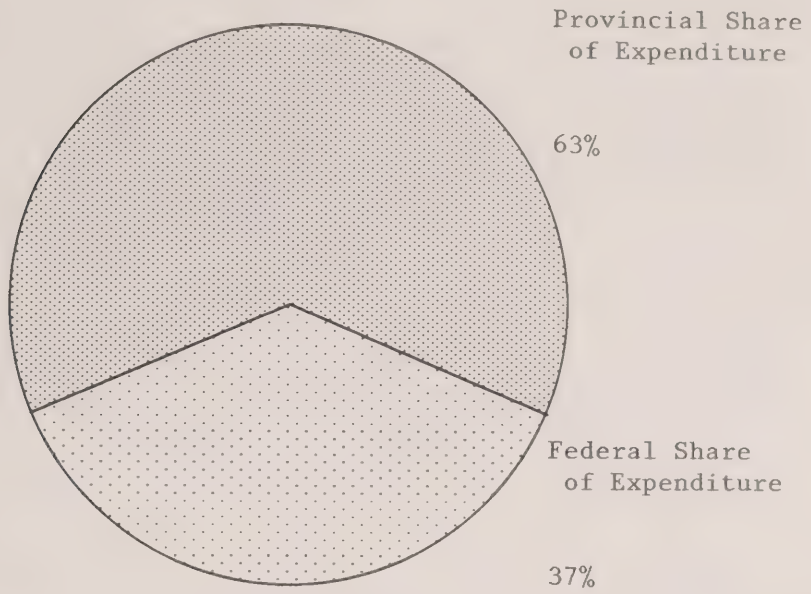
1985-86



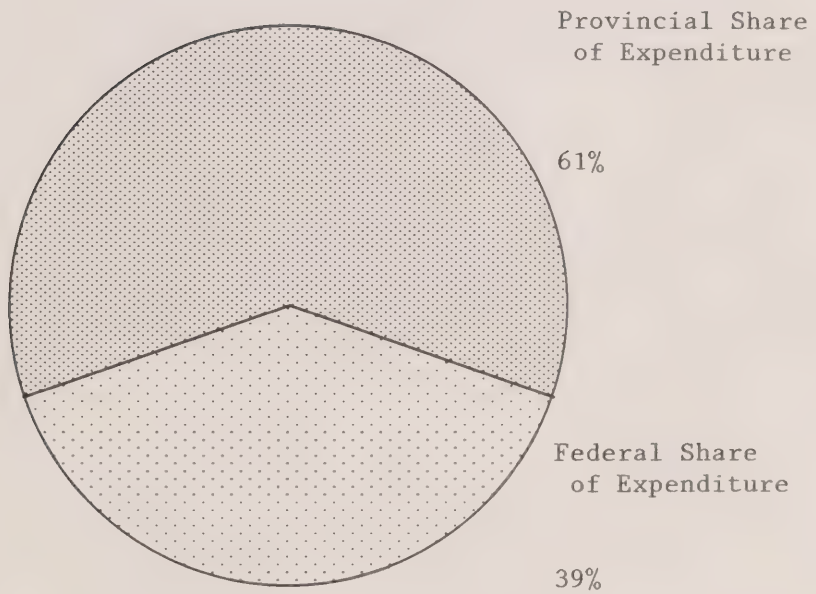
- OSG: Ontario Study Grant (refer to Table 5, page 10 for a discussion of 1985-86 figures)
- CSL: Canada Student Loan (refer to Table 7, page 11 and Table 18, page 17 for a discussion of 1985-86 figures)
- OSL: Ontario Student Loan (refer to Table 7, page 11 and Table 19, page 18 for a discussion of 1985-86 figures)

Chart C: Ontario Student Assistance Program, Expenditure⁵ by
Federal and Provincial Governments

1984-85

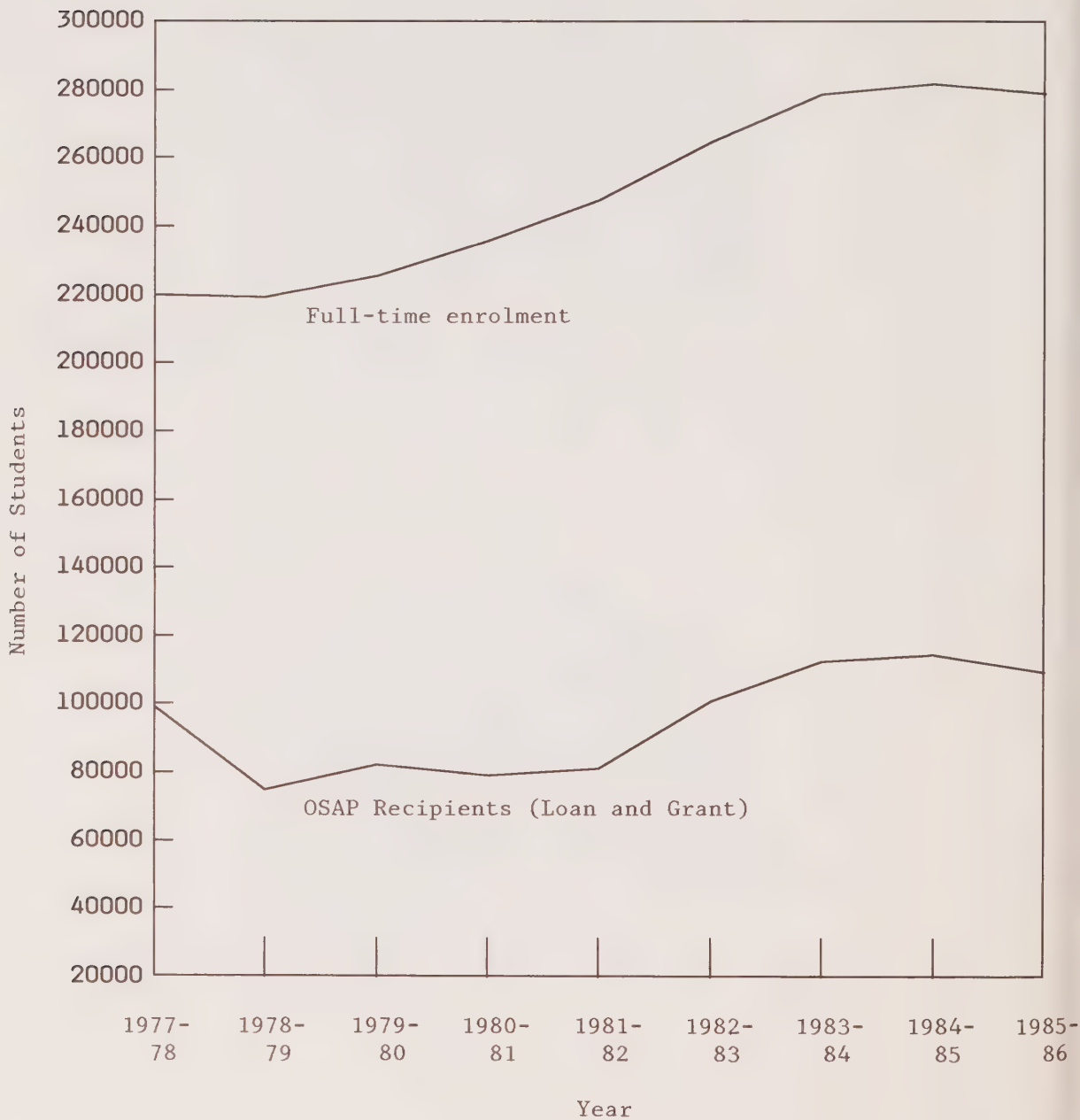


1985-86



⁵ Expenditure includes: Grants and bursaries, Interest on Federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

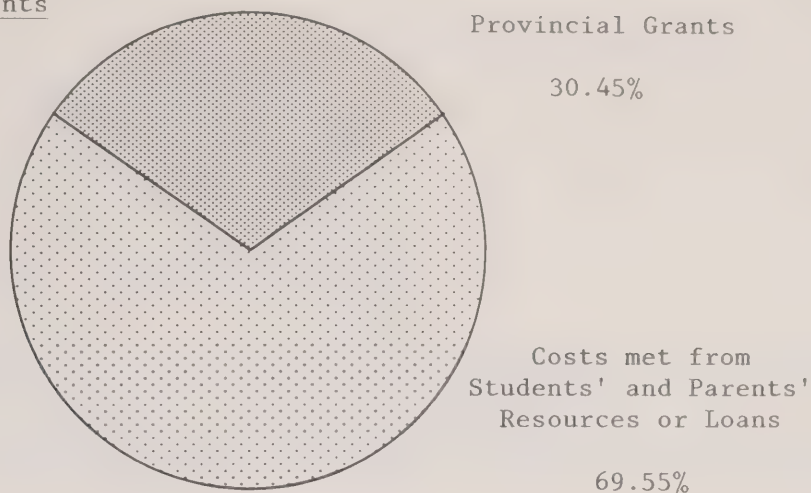
Chart D: Ontario Student Assistance Program, Full-time Enrolment in Ontario Universities and Colleges, and OSAP Recipients*



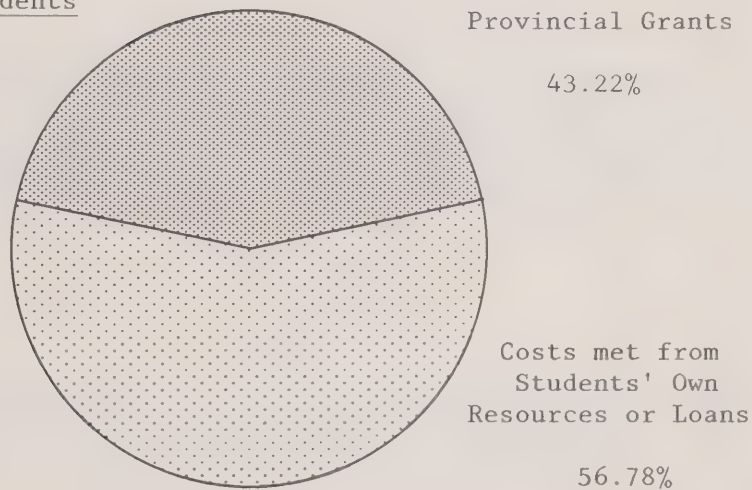
* Refer to Table B, page 30 for exact figures

Chart E: Ontario Student Assistance Program, Costs of Students
Applying for Grants

Dependent Single Students



Independent Single Students



Married Students

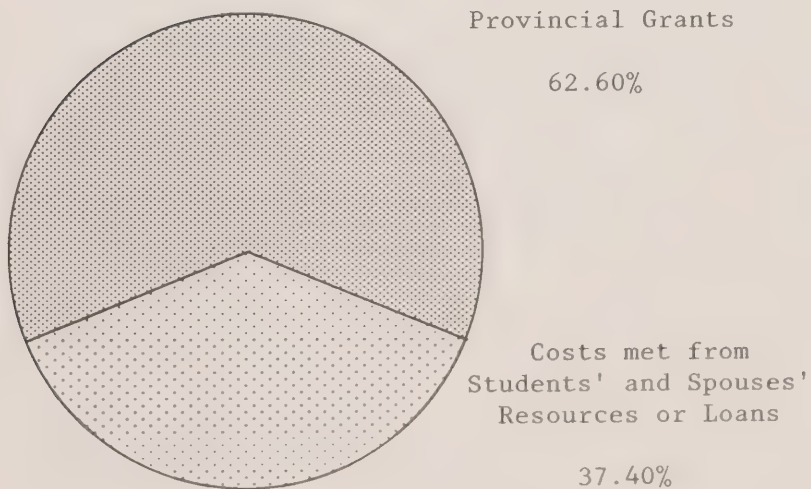
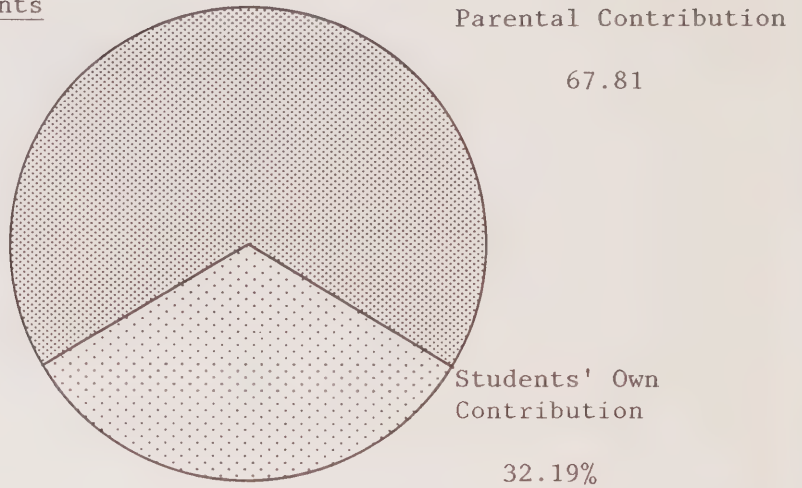
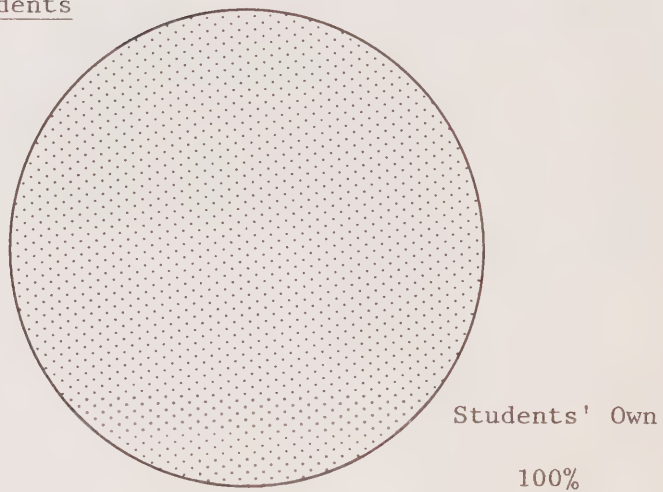


Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

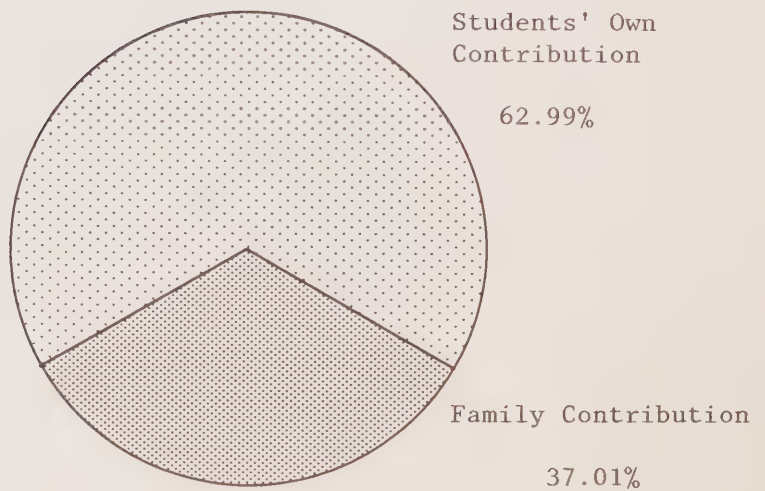
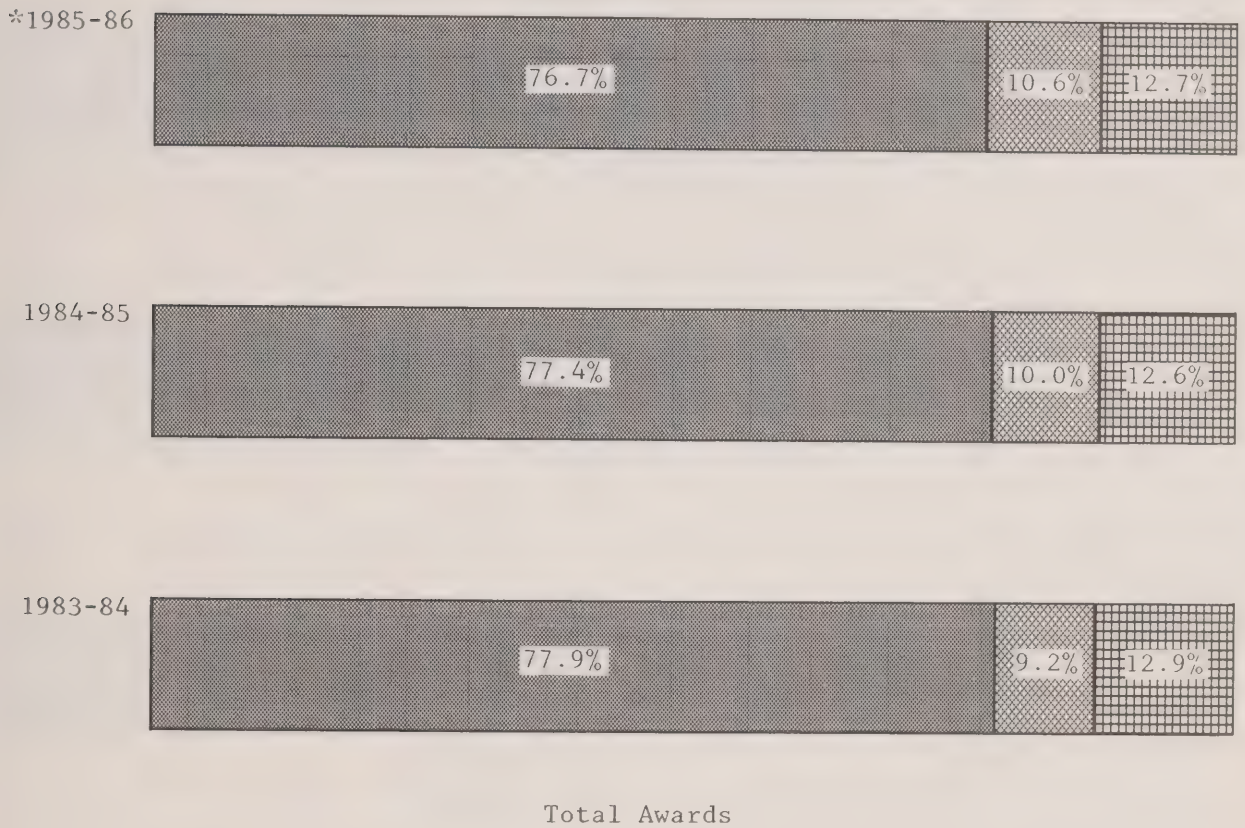
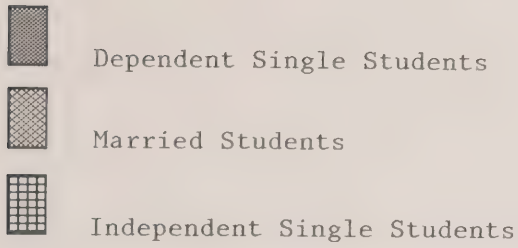
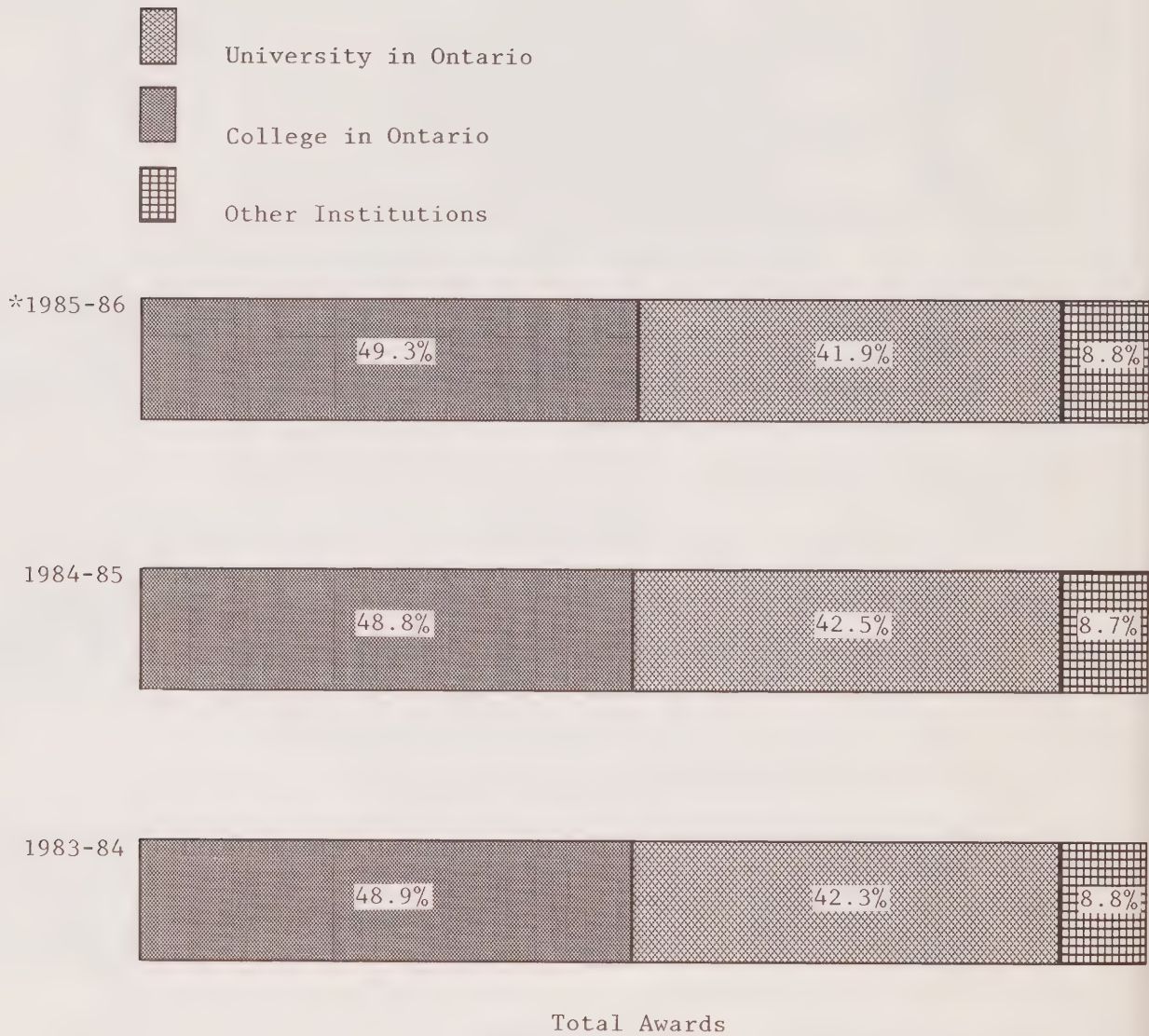


Chart G: Ontario Student Assistance Program, Grant Awards by Student Group



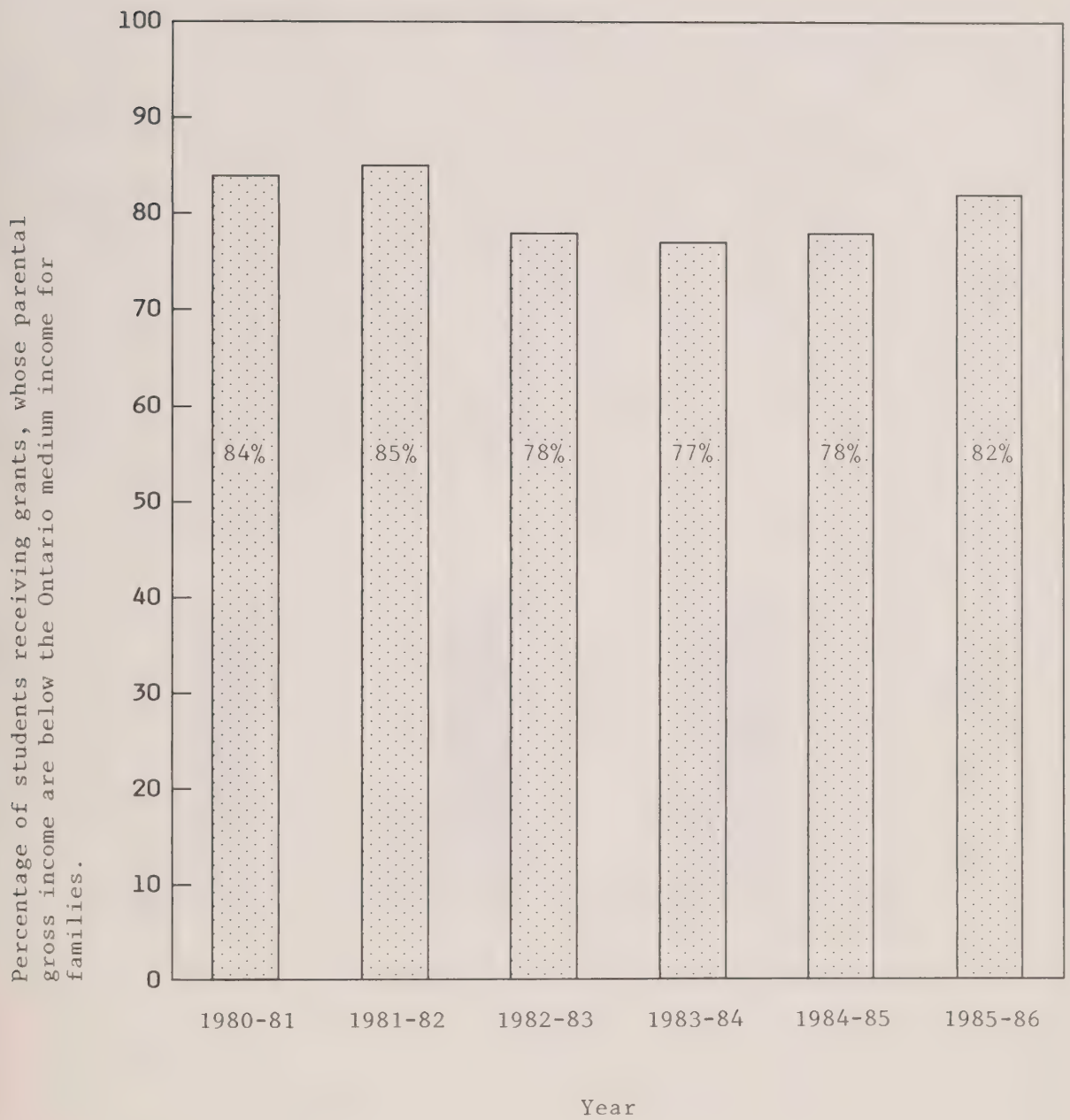
* refer to Table 3, page 9 for actual 1985-86 figures.

Chart H: Ontario Student Assistance Program, Grant Awards by Institution Type

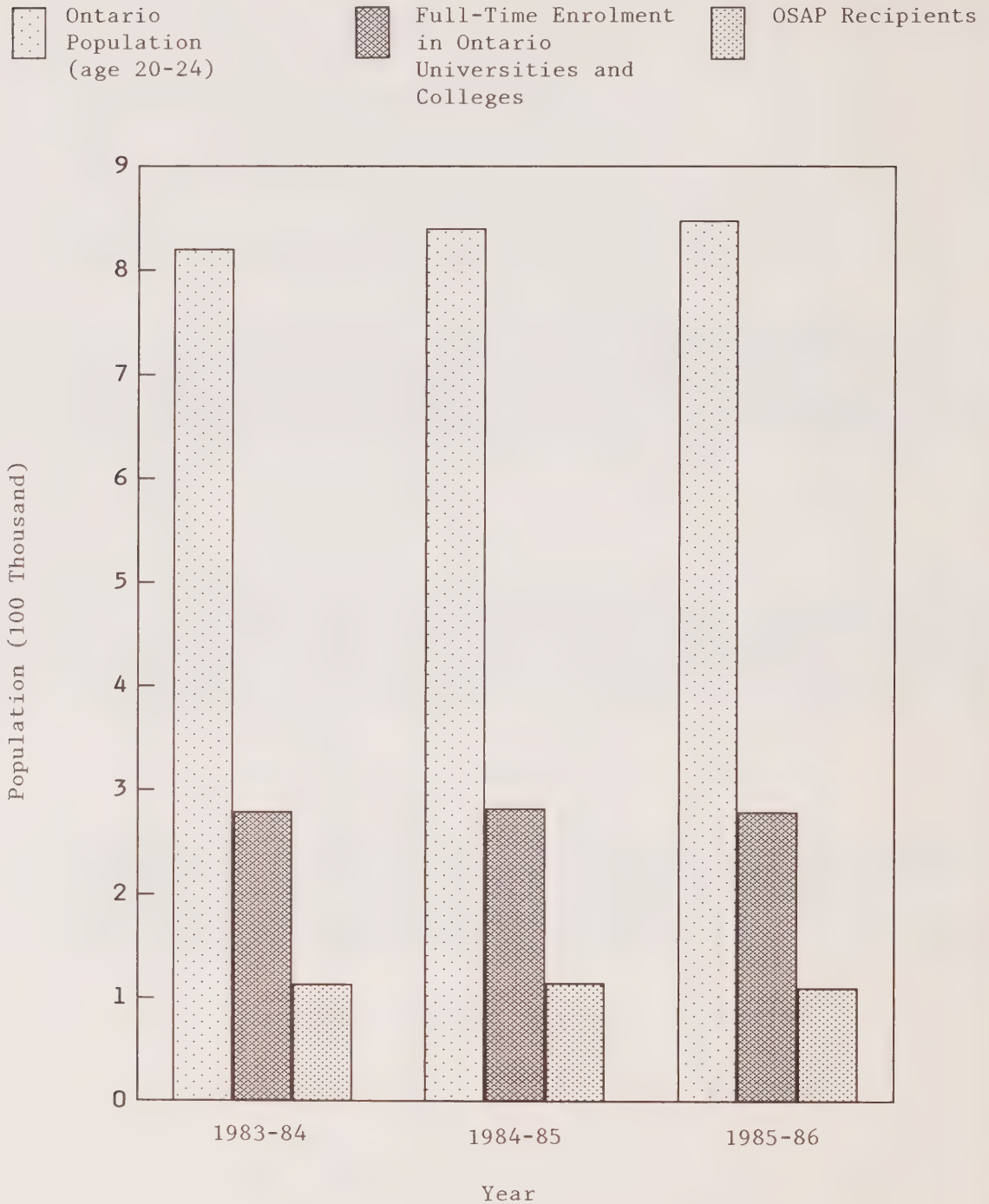


* refer to Table 2, page 8 for actual 1985-86 figures.

Chart I: Ontario Student Assistance Program, Parental Gross Income of
Dependent Single Students Receiving Grants



**Chart J: Ontario Student Assistance Program, Ontario Population⁶
(Age 20-24), Full-time Enrolment in Ontario Universities
and Colleges, and OSAP Recipients**



⁶ Source: Ontario Statistics 1986



Ontario

Ministry of
Colleges and
Universities

Lyn McLeod, Minister

CA20N
DG120
-R25

REPORT OF THE
**ONTARIO
STUDENT
ASSISTANCE
PROGRAM**

1986/87

OSAP

.....

**REPORT OF THE
ONTARIO
STUDENT
ASSISTANCE
PROGRAM
1986/87**

Report of the Ontario Student Assistance Program

1986-87

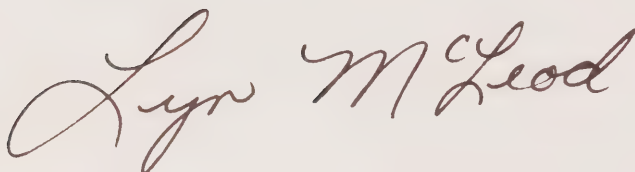
I am pleased to present the 1986-87 Report of the Ontario Student Assistance Program (OSAP). This report provides a detailed analysis and review of the financial assistance provided to postsecondary students by the Government of Ontario. It is the ninth annual Report on OSAP since the introduction of the Ontario Study Grant Plan in 1978-79.

OSAP is an integral component of the provincial government's continuing commitment to facilitating accessibility to postsecondary education for all qualified students.

The major source for the data presented in this Report was the information provided on students' application forms for financial assistance. Requests for additional information relating to this Report should be directed to:

Student Awards Branch
Ministry of Colleges
and Universities
P.O. Box 4500
Thunder Bay, Ontario
P7B 6G9

Telephone: (416) 965-7191



Lyn McLeod
Minister of Colleges and Universities



TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Summary	2
Aid Recipients	4
Amount of Assistance Received	6
Students' Educational Costs and How They Were Met	8
Family Profile of Students Receiving Assistance	10
Study Level/Course Profile	11
Canada Student Loans Program	13
Ontario Student Loans Plan	14
Ontario Special Bursary Plan	17
Ontario Work-Study Plan	18
Resources Expected From Assets	19
Appeal Board	19
Ministry Verification of Information	20
Assistance To Students Enrolled in Private Vocational Schools	20
Conclusion	21

TABLE OF CONTENTS (Con't.)

	<u>Page</u>
 Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds	25
B. Full-time Enrolment and OSAP Recipients	26
C. Grant Awards by Student Group	27
D. Grant Awards - Dollar Ranges	28
E. Average Grant Awards by Student Group	29
F. Grants Received by Dependent Students According to their Parental Gross Income Ranges	30
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	31
H. Contribution from Students' Summer Earnings	32
 Appendix 2: Charts	
A. Total Expenditure	35
B. Breakdown of Total Assistance	36
C. Expenditure by Federal and Provincial Governments	37
D. Full-time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	38
E. Costs of Students Applying for Grants	39
F. Resources of Students in Grant Assessments	40
G. Grant Awards by Student Group	41
H. Grant Awards by Institution Type	42
I. Parental Gross Income of Dependent Single Students Receiving Grants	43
J. Ontario Population (Age 20-24), Full-time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	44

Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920's, but the first comprehensive form of student aid was introduced through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. The Dominion-Provincial Student Aid Program was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. In 1964, the Government of Canada Student Loans Plan was introduced; this program was based solely on financial need. Provincial grants were then introduced in 1966 to supplement the federal loans. In 1978, the criteria governing eligibility and assessment of financial need for the Ontario Grant Plan were developed and administered separately from the Federal Loan Plan.

The Ontario Student Assistance Program consists of six plans. The Ontario Ministry of Colleges and Universities finances Ontario Study Grants, Ontario Student Loans, Ontario Special Bursaries and the Ontario Work-Study plans. The Department of the Secretary of State of Canada finances the full-time and part-time Canada Student Loans Plan. This report deals primarily with the four provincially funded plans.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents to facilitate access to postsecondary education. To meet this objective, assistance is provided in the form of non-repayable grants (Ontario Study Grants – for the first four years of postsecondary study); guaranteed, interest-subsidized loans (Ontario Student Loans); non-repayable bursaries for part-time students (Ontario Special Bursaries). The "needs test", which is basic to the plans under the Ontario Student Assistance Program, determines what students require by way of supplemental financial assistance to help them undertake postsecondary study, in addition to resources available to the students and their families.

Unlike some of the student assistance programs in Canada, the Ontario Student Assistance Program offers grant funds first to the students with the greatest financial need. This increases the accessibility to postsecondary education for students from lower income families.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1986-87. It analyses the assistance provided under the program, to whom aid was given and in what form. It also reviews the program's operation in terms of its individual components.

Wherever possible, comparative data are provided for earlier years. All amounts shown are in "current dollars". No allowance has been made for inflation. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to borrow the first \$1000 of need as a federal loan before receiving any grant assistance from the province. Currently, a student is assessed simultaneously for grant and loan assistance, with the award being administered in a form consistent with the student's financial background.

In 1986-87 a student was classified as Group B (independent of parental financial resources) for *grant* assessment if he/she was married *or* was a sole- support parent with a dependent child *or*

children *or* had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for the federal *loan* assessment if he/she was married *or* was a sole-support parent with a dependent child or children *or* had worked full-time for two periods of twelve consecutive months *or* had been out of secondary school for four full years. A student who did not meet the criteria above was classified as Group A (dependent on parental financial resources).

Summary¹

The highlights of the 1986-87 program are as follows:

- During the academic year 1986-87² a total of 108 547 students, approximately 90% of applicants, received aid in the form of loans and grants under the Ontario Student Assistance Program. These students received assistance of \$391.55 million³; \$132.81 million this was in the form of grants, and \$258.74 million in the form of loans (see Table 1, page 4).
- Approximately 31% of the total grants provided to dependent single students was received by students whose parents earned incomes less than \$10 001, and 68% by students with parental incomes less than \$20 001.
- Of all students in full-time enrolment in Ontario colleges and universities, 33% received assistance from the Ontario Student Assistance Program. Of these, 25% received a mix of grants and loans and 8% received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities dropped slightly from the previous year.
- The average value of grants increased in 1986-87 by 23% for dependent single students, 16% for married students, and decreased by 2% for independent single students, (see Table 5, page 6).
- The number of grant awards for students enrolled in private vocational schools increased by 10% while awards for students in universities and colleges of applied arts and technology decreased by 4% and 3% respectively.
- There was a 9% increase in the number of married students receiving grants. The number of dependent single students receiving grants decreased by 5%.

-
1. Detailed tables on the various distributions of these awards are provided as appendices to this report. Information presented as a percentage in the summary is rounded off to the nearest whole percent.
 2. An academic year covers the period from July of one year to August of the following year (from September to the following April for most students) and overlaps two government fiscal years which run from April 1 to March 31.
 3. Assistance consists of loans and grants provided to students and does not include the expenditure made on interest payments and defaults on loans.

- Of the total grant awards, 56% were made to female students and 44% to male students (see Table 4, page 6).
- Of the students enrolled in Ontario's universities, 38 610 (21% of full-time student enrolment) received assistance in the form of grants or a mix of grants and loans. Approximately 96% of these students were enrolled in undergraduate programs. The remainder were enrolled in graduate programs or diploma, certificate and other non-degree programs.
- Of the students enrolled in Ontario's colleges, 33 191 (35% of full-time college enrolment) received grants and/or loans. These students were enrolled in the following programs: 30 481 in diploma programs, 2689 in certificate programs, and 21 in other programs.
- A total of 2740 students, an increase of 6% from 1985-86, received funds under the Ontario Work-Study Plan. This plan was introduced in 1982-83 to help students with special financial needs not met under the regular OSAP assessment.
- A total of 2688 students, an increase of 5% from 1985-86, received assistance from the Ontario Special Bursary Plan, a component of OSAP that provides assistance for students in serious financial need who are taking 60% or less of a full course load.

Aid Recipients

For the academic year 1986-87, a total of 79 327 grant awards were issued for a dollar value of \$132.81 million. In addition, 108 547 loans were issued with a value of \$258.74 million, consisting of \$231.29 million in federal loans and \$27.45 million in provincial loans. Most of the students who received grants were also eligible for loans.

Table 1: Student Awards by Type (for a comparison with 1985-86 refer to Chart B, page 36)

	Number of Awards		Dollar Value (in millions)	
Grants	79 327	(42.2%)	\$132.81	(33.9%)
Loans *	108 547	(57.8%)	\$258.74	(66.1%)
Total	187 874		\$391.55	

* Includes both Ontario and Canada Student Loans

There was a decrease of 3.0% in the total number of grant awards issued in 1986-87 compared to the previous year. The decrease in loan awards for the same period was 0.8%. This was a direct result of student contributions increasing and reflects the continuing strength of the student job market.

Of the total grant awards issued in 1986-87, 38 610, or 48.7%, were made to students attending universities in Ontario and 33 191, or 41.8%, to students enrolled in Ontario colleges of applied arts and technology.

Of the total loan awards, 29 220 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1986-87. Grants made under the Ontario Student Assistance Program are limited to students in the first eight terms of postsecondary study with each term usually coinciding with one academic semester. Out of the total loans issued, 55 698, or 51.3%, were to Ontario university students and 37 569, or 34.6%, to college students. Table 2 presents a breakdown of loan and grant assistance.

Table 2: Student Awards by Type of Institution Attended

Institution Attended	<u>Grants</u>		<u>Loans</u>	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	38 610 (48.7%)	\$ 68.95 (51.9%)	55 698 (51.3%)	\$138.87 (53.7%)
College in Ontario	33 191 (41.8%)	\$ 54.20 (40.8%)	37 569 (34.6%)	\$ 70.03 (27.1%)
Other Institution*	7 526 (9.5%)	\$ 9.66 (7.3%)	15 280 (14.1%)	\$ 49.84 (19.2%)
Total	79 327	\$132.81	108 547	\$258.74

* Other institutions include private vocational schools and postsecondary institutions outside of Ontario.

The breakdown of loans and grants by student background is summarized in the following table.

Table 3: Number (%) of Student Awards by Type of Student (for grant awards since 1978 refer to Table C, page 27)

	<u>Grants</u>	<u>Loans</u>
Dependent single students [†]	59 466 (75.0%)	64 365 (59.3%)
Independent single students [†]	10 408 (13.1%)	31 293 (28.8%)
Married students [★]	9 453 (11.9%)	12 889 (11.9%)
Total	79 327	108 547

[†] These terms are used to describe students who are deemed to be dependent or independent of parental financial resources. For Ontario Study Grant purposes, a student is considered to be independent when he or she has been in the work force full-time for three years, is married or is a single parent.

[★] Included in the married students are 5475 sole-support parents who received grant and loan assistance and 1287 sole-support parents who were awarded loans only.

Of the grant awards, 74 231, or 93.6%, were made to Canadian citizens, and the remainder (5096, or 6.4%) to permanent residents (landed immigrants). As for loan awards, 101 284 (93.3%) were issued to Canadian citizens, and 7263 (6.7%) to permanent residents.

During the academic year 1986-87, the number of grant awards to female students decreased slightly, as shown in Table 4; however, this decrease is not significant.

Table 4: Students Receiving Assistance, Broken Down By Sex

	<u>Grants</u>		<u>Loans</u>	
	1985-86	1986-87	1985-86	1986-87
Male Students	37 380 (45.7%)	35 141 (44.3%)	51 135 (46.7%)	49 275 (45.4%)
Female Students	44 382 (54.3%)	44 186 (55.7%)	58 260 (53.3%)	59 272 (54.6%)
Total	81 762	79 327	109 395	108 547

Amount of Assistance Received

Of the total amount of grants, 70.9% was received by dependent single students; independent single students and married students received 14.8% and 14.3% respectively of the total grants. Table 5 shows the average grant assistance for the three groups of students and the change from 1985-86.

Table 5: Average Grant Assistance by Type of Student (to compare with 1984 to present, see to Table E, page 29)

	1985-86	1986-87	% Change
Dependent single students	\$1 278	\$1 576	+23.3
Independent single students	\$1 906	\$1 872	- 1.8
Married Students	\$1 718	\$2 001	+16.5

The significant increase in the average grant assistance to dependent single and married students reflects the increase in the personal and living allowances provided to dependent single students (approximately 5%) and major changes to the method of need assessment for married students over the last two years.

The average grant assistance to dependent single students shown in Table 5 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 67.4% lived away from home during 1986-87. The corresponding percentage for 1985-86 was 67.0.

The award profile of students according to the type of institution they attended is shown in Table 6.

Table 6: Average Grant Assistance by Type of Institution Attended

<u>Institution Attended</u>	<u>Average Grant</u>		<u>% Change</u>
	1985-86	1986-87	
University in Ontario	\$1 467	\$1 786	+21.6
College in Ontario	\$1 402	\$1 633	+16.5
Other Institutions	\$1 145	\$1 283	+12.1

Average grant awards for all students in Ontario's postsecondary institutions have increased in 1986-87 mainly due to increases in costs and allowances provided. Awards for students enrolled in universities and colleges increased by 21.8% and 16.5% respectively.

The figures for loans issued in 1986-87 are shown in Tables 7 and 8. The average loan assistance to dependent single students and married students decreased by 10.7% and 7.5% respectively mainly because of the corresponding increase in grants for these students. However, average loans for independent single students have increased by 2.7% because of increases in their living and transportation costs with no corresponding increases in their grant ceilings. For 1986-87, independent single students were allowed \$99 per week for living costs and \$8 per week for transportation. These limits are adjusted annually.

Table 7: Average Loan Assistance by Student Background

	<u>Average Loan</u>		<u>% Change</u>
	1985-86	1986-87	
Dependent single students	\$1 758	\$1 570	-10.7
Independent students	\$3 417	\$3 510	+ 2.7
Married Students	\$3 760	\$3 478	- 7.5

Table 8: Average Loan Assistance by Type of Institution Attended

<u>Institution Attended</u>	<u>Average Loan</u>		<u>% Change</u>
	1985-86	1986-87	
University in Ontario	\$2 595	\$2 494	- 3.9
College in Ontario	\$1 946	\$1 864	- 4.2
Other Institution	\$3 317	\$3 262	- 1.7

There has been a decrease in loan assistance received by all students. The primary reason for this is the increase in grants for these students.

Table 9 shows the distribution of grant awards for the two academic years 1985-86 and 1986-87.

Table 9: Distribution of Grant Awards by Value (for 1984 to present, refer to Table D, page 28)

<u>Value of Grant Awards</u>	<u>Percentage of Recipients</u>			
	1985-86	cum%	1986-87	cum%
\$ 1 – \$ 500	10.2	—	9.7	—
\$ 501 – \$1 000	12.2	22.4	11.5	21.2
\$1 001 – \$1 500	13.4	35.8	13.2	34.4
\$1 501 – \$2 000	12.9	48.7	12.8	47.2
\$2 001 – \$2 500	20.0	68.7	19.2	66.4
\$2 501 – \$3 000	8.1	76.8	7.9	74.3
Over \$3 000	23.2	100.0	25.7	100.0

As Table 9 indicates, there was an increase 2.5% in awards in the over \$3000 range in 1986-87.

In 1986-87, 18 689 students who applied for assistance did not receive any grant awards because they had sufficient resources to cover the costs identified by the grant assessment.

The size of grant awards assessed during 1986-87 ranged from a minimum of \$20 to a maximum of \$4000. Similarly, the loans awarded had a wide spread, from \$50 to over \$4500.

Students' Educational Costs and How They Were Met

The costs of students attending postsecondary institutions are composed of tuition fees, ancillary fees such as laboratory fees, student union fees and athletic fees, books and equipment, transportation, food and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources and those of the families to the extent needed to meet these costs. During 1986-87, student costs in the grant assessments consisted of 21.8% for tuition fees, 57.1% for food and accommodation, 11.6% for books and equipment, and the balance, 9.5%, for other miscellaneous costs (see Chart E, page 39). The average costs of the different student groups are shown in Table 10. They reflect the general increase in costs for dependent single and independent single students. The average costs for married students decreased mainly because of major changes to the method of need assessment for these students. In lieu of adding the student allowance of \$1220 to the spouse's income, the actual income earned was used.

Table 10: Average Student Cost by Type of Student

	1985-86	1986-87	% Change
Dependent single students	\$4 198	\$4 350	+ 3.6
Independent single students	\$4 410	\$4 498	+ 2.0
Married Students	\$2 745	\$2 458	-10.5

The average student costs by type of institution attended are given in Table 11.

Table 11: Average Student Costs by Type of Institution Attended⁴

	1985-86	1986-87	% Change
Universities in Ontario	\$4 524	\$4 663	+ 3.1
Colleges in Ontario	\$3 695	\$3 762	+ 1.8
Other Institution	\$3 329	\$3 170	- 4.8

The cost decreases for students attending other institutions stem mainly from decreases in the program length of courses which these students attended. For students attending Ontario's universities, the average tuition fee increase in 1986-87 was \$52. Tuition fee increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately \$17.

Approximately 60% of the total educational costs of all students eligible for grants in 1986-87 was met out of the resources of the students and/or their families. The remaining 40% was covered by grants from the Ontario Study Grant Plan. For the three categories of students, the proportion of their total costs met by non-repayable grants is as follows: for dependent single students 36.2%, for independent single students 41.6% and for married students 81.4%.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the student's own contribution (40.3%) and a parental contribution (59.7%). Parental contribution accounted for about 62.3% of the total resources for students living away from home and 51.7% for students living with parents while at school. The latter parents provided assistance in kind through the provision of room and board to the student.

4. The average costs for university students are higher than for college students due to higher tuition fees.

Family Profile of Students Receiving Assistance

Just over 69% of the dependent single students who received grant assistance in 1986-87 were from families with one or two children. The distribution of families by number of children is given in Table 12.

Table 12: Family Size of Dependent Single Students Receiving Grants

Number of children	% of Students	Cum %
1	36.5	—
2	32.6	69.1
3	20.0	89.1
4	7.7	96.8
5 and over	3.2	100.0

The grants received by dependent single students were based on parental income and also on the number of children in their family, and in particular, the number of children attending postsecondary institutions simultaneously. The average award for students whose parental incomes were \$15 000 or lower was \$2774, while the average award for those whose parents earned over \$30 000 was \$425. Table F on page 30 summarizes the average grant for income ranges in 1985-86 and 1986-87.

Over 50% of the total value of grant assistance provided to dependent single students was received by students whose parental incomes were \$15 000 or less. An additional 40% was received by students whose parents earned between \$15 001 and \$30 000. Approximately 10% of the total grant funds reached students whose parents were earning in excess of \$30 000.⁵

Statistics Canada's median⁶ income for families in Ontario for 1986 was \$40 519. Students who came from families below the median income received approximately \$92.19 million in grants, which represents 98.0% of the total grants provided to dependent single students in 1986-87.

The majority (56.3%) of married students who received grants in 1986-87, had a family gross income below \$10 001. Close to 33% of these married students had incomes below \$5001.

5. The actual amount of assistance depends on a "need assessment" which takes into account the resources available to the students and the costs they are expected to incur during the study period.

6. Median is a statistical term which indicates the middle point of a data set. In this example, half of the family incomes in Ontario are greater than \$40 519, and half are less.

Study Level/Course Profile

The students who were assisted with grants in 1986-87 were, for the most part, enrolled in postsecondary courses of twenty-six to thirty-eight weeks duration. The grant recipients in 1986-87, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (%) by Type of Institution and Length of Course

Course Length	% In Ontario's Universities	Cum %	% In Ontario's Colleges	Cum %	% In Other Institutions	Cum %
Less than 19 weeks	7.4	-	13.6	-	21.0	-
20 - 25 weeks	1.2	8.6	2.0	15.6	8.3	29.3
26 - 32 weeks	13.2	21.8	4.8	20.4	30.0	59.3
33 - 38 weeks	70.6	92.4	70.1	90.5	20.3	79.6
Over 38 weeks	7.6	100.0	9.5	100.0	20.4	100.0

Universities in Ontario

Because grants are awarded to students in the first eight terms of postsecondary study, most of the grant recipients in 1986-87 (96.2%) were enrolled in undergraduate programs. About 3.8% of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (72.4%) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1986-87 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants By Type of Program

	% of All Students Receiving Grants	% of Total Enrolment
Arts and Sciences	73.5	56.3
except Law	0.3	2.3
Theology	0.2	0.4
Engineering and Technology	8.6	7.2
Administration/Business	8.3	9.5
Health Sciences	4.8	4.3
except Medicine	0.5	1.5
Dentistry	0.1	0.3
Education and Social Work	3.2	6.3
Other	0.1	2.1
Graduate Studies	0.4	9.8

Universities in Ontario

Of the students who received *only loans*, 12.6% were enrolled in graduate programs, and the remaining 87.4% were registered as undergraduates or professional. The large number of loan recipients in undergraduate and professional programs is the result of students not qualifying for grant assistance but qualifying for loans, students taking a second bachelor's degree or diploma, students repeating courses, or students enrolling in longer programs (programs in excess of four years of study) which require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1986-87.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

	% of All Students Receiving Loans	% of Total Enrolment
Arts and Sciences	47.1	56.3
except Law	7.5	2.3
Theology	0.2	0.4
Engineering and Technology	7.4	7.2
Administration/Business	4.7	9.5
Health Sciences	3.9	4.3
except Medicine	6.7	1.5
Dentistry	1.3	0.3
Education and Social Work	8.5	6.3
Other	0.1	2.1
Graduate Students	12.6	9.8

Colleges in Ontario

The types of programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1986-87 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants, by Type of Program

Program of Study	% of Students	Cum %
Administration/Business	32.4	—
Arts and Sciences	19.5	51.9
Engineering and Technology	18.9	70.8
Health Science	16.1	86.9
Education and Social Work	8.9	95.8
Trades and Vocations	2.3	98.1
Other	1.9	100.0

Table 17 shows the distribution of college students receiving only loans in 1986-87.

Table 17: Distribution of College Students Receiving only Loans, By Type of Program

Faculty	Diploma	Percentage of Students		
		Cum%	Certificate	Cum%
Health Sciences	25.1	—	29.5	—
Administration/Business	24.9	50.0	18.3	47.8
Engineering and Technology	22.1	72.1	19.3	67.1
Arts and Sciences	19.0	91.1	10.4	77.5
Education and Social Work	5.6	96.7	3.9	81.4
Other	3.3	100.0	18.6	100.0

Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the student aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past ten years is shown in Table 18.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Eligible for Loan Assistance	Amount of Loans Assessed (millions)
1977-78	80 959	\$86.27
1978-79	75 106	\$74.42
1979-80	81 936	\$73.20
1980-81	78 991	\$83.39
1981-82	81 180	\$101.91
1982-83	100 778	\$146.54
1983-84	112 452	\$228.35
1984-85	114 369	\$255.64
1985-86	109 395	\$243.31
1986-87	108 547	\$231.29

There was a large increase in the total value of Canada Student Loans assessed in 1983-84 and this is the result mainly of a change in the Canada Student Loans Act which almost doubled the maximum loan assistance which students could receive.

Costs and allowances under the Canada Student Loans Program are more generous than those allowed in the Ontario Study Grant Plan. This difference provides some students with loans, as required, to meet their additional expenses related to their educational costs.

Ontario Student Loans Plan

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their study program was less than the minimum (twenty-six weeks), their program of study was not approved for Canada Student Loans, or their course load was less than 60 % of a full program. The provincial loan plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at \$1800 from 1974 to 1983 in spite of annual increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans top off federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. Table 19 illustrates the disbursement of provincially guaranteed loans since 1977-78.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	\$16.1
1979-80	\$18.0
1980-81	\$21.95
1981-82	\$27.65
1982-83	\$51.34
1983-84	\$24.92
1984-85	\$26.94
1985-86	\$26.68
1986-87	\$27.45

As Table 19 shows, there was a sharp increase in Ontario Student Loans issued in 1982-83. This change is a result of a new formula used to calculate the contribution from parental income. Instead of net income being used to ascertain the contribution, the gross income was used with the table structure being revised to accommodate this change. The increase was offset the next year when the Federal government increased the ceiling on Canada Student Loans to \$100 per week from \$56.25, and then to \$105 per week in 1984-85. This shifted the loan balance back to the Canada Student Loan program and accounts for the subsequent drop in Ontario Student Loans.

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure – (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks under provincial guarantee. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Claims

<u>Year</u>	<u>Interest on Loans</u>	<u>Claims Paid Under Guarantee</u>	
		<u>Number</u>	<u>Amount</u>
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	\$ 155 871.77	141	\$ 128 657.23
1978-79	\$ 170 625.37	226	\$ 253 551.63
1979-80	\$ 874 872.10	407	\$ 498 567.90
1980-81	\$2 807 474.24	944	\$1 229 125.76
1981-82	\$4 910 029.01	1 493	\$2 276 193.99
1982-83	\$6 054 284.09	1 159	\$2 282 985.91
1983-84	\$7 161 107.87	2 161	\$4 731 173.13
1984-85	\$7 065 405.08	2 325	\$6 118 859.92
1985-86	\$5 845 658.97	4 550	\$8 633 031.03
1986-87	\$5 628 633.29	4 423	\$7 240 376.71

Under the Ontario Student Assistance Program, 215 134 provincial loans have been negotiated since its inception and only 7.4% of these loans has been claimed by banks as defaults. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage. This results in a claim rate of 19.4%.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once the amounts claimed are paid to the banks, procedures are initiated by the Central Collection Service of the province to recover the amounts due from the defaulting student borrowers.

A number of the defaulted loans are recovered from the students, usually with a commitment to provide repayment over an agreed period of time in the future. There has been a net recovery of 17.3% in terms of dollars since 1978-79. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The amounts collected in the last three years were \$954 893 in 1984-85, \$1 684 223 in 1985-86 and \$1 876 582 in 1986-87.

The value of defaulted loans since the inception of the Ontario Student Loans Plan is approximately \$31.50 million. The claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4 000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

In an attempt to reduce claims, students are advised, when they are located, about the consequences of loan defaults. As well as repaying the loan debt to a collection agency, the defaulters face other consequences: no consideration for further assistance until one year after the full repayment of the debt and accumulated interest.

Table 21: Student Loan Claims By Amount

Claim Ranges	% of Loan Accounts	Cum %
\$ 1 - \$ 500	13.5	—
\$ 501 - \$1000	19.8	33.3
\$1001 - \$1500	13.3	46.6
\$1501 - \$2000	18.4	65.0
\$2001 - \$2500	9.1	74.1
\$2501 - \$3000	6.9	81.0
\$3001 - \$3500	3.7	84.7
\$3501 - \$4000	4.2	88.9
\$4001 and over	11.1	100.0

As Table 21 shows, 65% of the provincial claims were in the less than \$2001 range.

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Unwillingness/Non-cooperation	39.5
Inability to locate/trace/contact student borrower	27.3
Unemployment	12.8
Bankruptcy	4.1
Illness	1.7
Death	1.2
Other miscellaneous reasons	13.4
Total	100.0

Ontario Special Bursary Plan

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist special categories of students such as sole-support parents, those receiving social welfare assistance, the unemployed and individuals with low incomes. The bursary was intended to help students unable to obtain other financial assistance and is primarily non-repayable assistance given to entry level students or those unable to attend full-time. The primary purpose of the bursary was to help students acquire marketable skills and improve their earning potential. Over the past ten years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1984-85 to 1986-87 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1984-85	1985-86	1986-87
Number of students assisted	2 496	2 564	2 688
Total assistance provided	\$1 140 379	\$1 231 947	\$1 246 718
Average bursary award	\$ 457	\$ 480	\$ 464
Maximum bursary	\$ 1 200	\$ 1 200	\$ 1 200

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60% course load or less. However, because of its suitability for students in academic upgrading programs at Community Colleges, students enrolled in these programs with a course load of over 60% are also permitted now to apply for special bursaries.

Of the total number of students who received bursary assistance in 1986-87, about 26 % were males and 74 % were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	% of Students
Single Male	9.9
Single Female	28.0
Sole-support parents	49.7
Other married students	12.4
Total	100.0

Of all the bursary recipients, 80.8% had no employment to report during the period of study. The remaining 19.2% had some kind of employment; 4.2% in full-time employment, and 15.0% part-time employment.

Seventy-five per cent of bursary recipients in 1986-87 were receiving direct or indirect support of some kind from a government agency, as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	% of Students
Family Benefits allowances	43.0
General Welfare allowances	23.8
Unemployment Insurance Benefits	4.5
Other pension benefits	2.1
Manpower allowance	0.6
Penitentiary allowances	0.5
Rehabilitation benefits	0.4
Workers' Compensation benefits	0.1
Subtotal	75.0
Those receiving no support	25.0
Total	100.0

A large majority of the bursary recipients (78.6%) did not have any prior postsecondary education. Of the total bursary recipients 13.1% had some postsecondary education. Another 8.3% had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 46.5% were sole-support parents.

Ontario Work-Study Plan

In 1982-83 the Ontario Work-Study Plan was introduced as part of the Ontario Student Assistance Program. The objective of this plan is to provide financially needy students with additional funds in the form of remuneration for work done, in order to help them meet their costs without an excessive dependence on loans. This plan emphasizes the principle of self-help and permits students to make up the shortfall in their cash requirements by working on campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the postsecondary institutions.

The expenditure for the program in the fiscal year 1986-87 was \$733 617 which represents a half share of the total outlay for the plan. The response to the plan has been enthusiastic from both students and the postsecondary institutions which have participated in the plan.

A breakdown of the recipients of Work Study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution

	# of Recipients	As % of Total
University in Ontario	1 935	70.6
College in Ontario	805	29.4
Total	2 740	100.0

The main reasons which prompted these students to apply for work study funds were: need above grant maximums (24.7%), expected resources not available (21.7%), high loan indebtedness (19.8%) and some costs not recognized under OSAP (13.0%). An example of this latter might be that costs incurred in students' projects required for their program (e.g. Fine Arts, Architecture) were higher than those accepted for OSAP purposes.

Resources Expected From Assets

The policy requiring a contribution from assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected from the net value of the student's or family's assets, when determining the student's financial need. Because of this contribution from assets, funds available in the program could be directed to those students who need assistance most. In 1986-87, 5279 students who received grants had a contribution from parental assets, the average contribution was \$840 per student. The average contribution on assets for 726 married students was \$1014 each. There were 3414 students receiving grants who had a contribution expected from their own assets; 9.2% of students overall had assets in the range where a contribution may be expected. The average amount was \$632 per student.

Appeal Board

Students with unique circumstances which are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. Appeals are initially reviewed in the Appeals Section of the Student Awards Branch. Circumstances which cannot be accommodated within appeal guidelines are forwarded to an independent Appeal Board consisting of representatives from the student organization, the public, Ontario Association of Student Financial Aid Administrators and the on-campus administrators of OSAP. The Appeal Board ensures equity in individual cases and provides additional support funds when needed.

The following are some of the reasons for students' appeals: waiver of student asset contribution (2.1%), waiver of parental asset contribution (4.0%), spousal inability or refusal to contribute (10.3%), step-parent's refusal to assist (19.1%), parental refusal to support (30%), and parental inability to support (33.2%).

During the 1986-87 academic year, 1510 appeals were handled by this process. These appeals resulted in the awarding of \$1 064 652 in grants and \$2 219 093 in loans to 1102 appeal applicants. Appeals were approved in 72.9% of cases.

Ministry Verification of Information

The main purpose of the ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected by the ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the financial aid administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the ministry. Files maintained at the financial aid offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the ministry fully preserves the confidentiality of the information provided.

In 1986-87, 11 921 selected files were examined in detail for accuracy of assessments as part of the general audit of student data. Files were selected for examination both through random identification and "flagging" for potential inaccuracies by the Financial Aid Administrators at the colleges and universities. The results of this examination showed underpayments of \$284 572 and overpayments of \$4 275 816. When a grant overpayment is identified, a notice of overpayment is issued to the student with a request to return the funds. A total of 6869 cases were involved in these adjustments.

One hundred and eighty-one cases were investigated in 1986-87 for suspected fraud or misrepresentation, with thirty-one cases being referred to the Ontario Provincial Police or the Royal Canadian Mounted Police for follow-up. Six cases were concluded in court, resulting in four criminal and two statutory convictions.

Assistance to Students Enrolled in Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1986-87, 44 private vocational schools participated in the grant plan.

During the year 1986-87, 5641 students enrolled in private vocational schools received grant assistance totalling \$6.38 million. The number of students who received grants in 1986-87 represents an increase of 10 % over that in the previous year. The average amount of grant assistance provided to these students in 1986-87 was \$1132 per academic year. Grant assistance to these students was restricted to a maximum of \$1000 per single term of study. This explains why there has been a corresponding increase of 37% in the loan assistance received by these students.

Private vocational school students who received grant assistance in 1986-87 were enrolled mainly in trades and vocations, administration or business programs and engineering and technology. The participation in OSAP by students from private vocational schools in Ontario for 1985-86 and 1986-87 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	<u>1985-86</u>		<u>1986-87</u>	
	Grants	Loans	Grants	Loans
Number of Students receiving aid	5 128	7 191	5 641	7 760
Total value of aid received (in millions)	\$5.51	\$26.18	\$6.38	\$27.26

Conclusion

In its ninth year of operation, the Ontario Study Grant Plan has promoted accessibility to postsecondary education for Ontario residents by providing 79 327 students with a total of \$132.81 million as need-based, non-repayable grants. In addition, federally guaranteed loans of \$231.29 million and provincially guaranteed loans for \$27.45 million were also issued to students in 1986-87. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 108 547 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1986-87 constituted 33.1% of the total full-time enrolment in Ontario's universities and colleges.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students as a result of limits being placed on who can receive grants (i.e. the introduction of grant eligibility periods). In 1986-87 over 75% of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5% of the grant awards was received by this group.

Of the total amount of assistance provided as grants to dependent single students, approximately 39% was made available to students whose parental gross income was \$12 000 and less. No parental support was expected from 33.7% of the dependent students who received grants, mainly because of the low gross incomes of their parents. A supplementary personal and living allowance was given to 3459 students from low income families who resided in their parents' homes while attending school. The profile of family incomes in Ontario, according to Statistics Canada's figures for 1986, is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families	Cum %
Under \$10 000	3.6	—
\$10 000 – \$12 499	2.2	5.8
\$12 500 – \$14 999	3.2	9.0
\$15 000 – \$17 499	4.0	13.0
\$17 500 – \$19 999	3.5	16.5
\$20 000 – \$24 999	6.8	23.3
\$25 000 – \$29 999	7.9	31.2
\$30 000 – \$34 999	9.0	40.2
\$35 000 – \$39 999	9.0	49.2
\$40 000 – \$44 999	8.9	58.1
\$45 000 – \$49 999	7.5	65.6
\$50 000 – \$54 999	7.2	72.8
\$55 000 – \$59 999	5.9	78.7
\$60 000 – and over	21.3	100.0
 Average income	 \$45 078	
 Median income	 \$40 519	

Approximately 50% of the families in Ontario had incomes below \$40 519. This can be matched with the family income profile of the dependent single students who received assistance in 1986-87. For example, 85.4% of the students who received grants in 1986-87 came from families with incomes below the median level (see Table F, page 30).

Various factors affect the student's decision to enrol or continue in postsecondary study, and availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

.....

A P P E N D I X O N E

TABLES

Table A:

**Ontario Student Assistance Program
Total Provincial Expenditure –
Grants, Loan Interest and Claims, Bursaries, Work Study Funds**

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Ontario Work Study Plan	Total
1986-87	134 797 498	12 869 010	1 246 718	733 617	149 646 843
1985-86	117 654 282	14 478 690	1 231 947	658 201	134 023 120
1984-85	111 997 110	13 184 265	1 140 379	341 659	126 663 413
1983-84	106 843 710	11 892 281	1 021 649	167 406	119 925 046
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	—	86 423 755
1980-81	85 377 688 *	4 036 600	477 471	—	89 891 759
1979-80	84 009 164 *	1 373 440	409 394	—	85 791 998
1978-79	78 989 259 *	424 177	427 736	—	79 841 172

* Includes loan remission, which was provided as a transition arrangement to students affected by the introduction of the Ontario Study Grant Plan in 1978-79.

Source: Public Accounts of Ontario

Table B:

Ontario Student Assistance Program
Full-time Enrolment and OSAP Recipients

Year	Full-time Enrolment in Ontario Universities and Colleges	OSAP Recipients * (Grant and Loan)	% Full-time Enrolment Receiving OSAP
1986-87	279 469	108 547	38.8%
1985-86	278 862	109 395	39.2%
1984-85	281 620	114 369	40.6%
1983-84	278 416	112 452	40.4%
1982-83	264 658	100 778	38.1%
1981-82	247 533	81 180	32.8%
1980-81	235 461	78 991	33.5%
1979-80	225 504	81 936	36.3%
1978-79	219 204	74 956	34.2%

* Enrolled in Ontario universities and colleges, and also in private vocational schools, and other postsecondary institutions.

Source: Ministry of Colleges and Universities, Management Information Systems reports;
Ministry of Colleges and Universities statistical reports

Table C:

**Ontario Student Assistance Program
Grant Awards by Student Background**

Program Year	Total Awards Issued	Dependent Single Students – No. of Awards	Married Students – No. of Awards	Independent Single Students – No. of Awards
1986-87	79 327	59 466 (75.0%)	9 453 (11.9%)	10 408 (13.1%)
1985-86	81 762	62 726 (76.7%)	8 657 (10.6%)	10 379 (12.7%)
1984-85	86 947	67 266 (77.3%)	8 659 (10.0%)	11 022 (12.7%)
1983-84	86 930	67 755 (77.9%)	7 983 (9.2%)	11 192 (12.9%)
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)

Source: Ministry of Colleges and Universities statistical reports

Table D:

Ontario Student Assistance Program
Grant Awards – Dollar Ranges

Range of Award	<u>1984-85</u>		<u>1985-86</u>		<u>1986-87</u>	
	Recipients (as % of total)	Cum %	Recipients (as % of total)	Cum %	Recipients (as % of total)	Cum %
\$ 1 – 500	11.3	—	10.2	—	9.8	—
501 – 1 000	13.8	25.1	12.2	22.4	11.5	21.3
1 001 – 1 500	13.8	38.9	13.4	35.8	13.2	34.5
1 501 – 2 000	13.3	52.2	12.9	48.7	12.8	47.3
2 001 – 2 500	19.2	71.4	20.0	68.7	19.2	66.5
2 501 – 3 000	8.3	79.7	8.1	76.8	7.9	74.4
3 001 – 3 500	7.9	87.6	7.6	84.4	7.5	81.9
3 501 – 4 000	6.6	94.2	6.3	90.7	6.5	88.4
Over \$4 000	5.8	100.0	9.3	100.0	11.6	100.0

Source: Ministry of Colleges and Universities statistical reports

Table E:

**Ontario Student Assistance Program
Average Grant Awards by Student Group**

Student Group	1984-85	1985-86	1986-87*
Dependent single students	\$1 132	\$1 278	\$1 576
Independent single students	1 874	1 906	1 872
Married students	1 573	1 718	2 001

* refer to Table 5, page 6 for a discussion of the 1986-87 figures

Source: Ministry of Colleges and Universities statistical reports

Table F:

**Ontario Student Assistance Program
Grants Received by Dependent Students
According to their Parental Gross Income Ranges
1985-86 and 1986-87**

<u>Parental Gross Income Ranges</u>	<u>Grant Recipients (as % of Total)</u>		<u>Total Grants Assessed (as % of Total)</u>		<u>Average Grants/ Income Range</u>	
	1985-86	1986-87	1985-86	1986-87	1985-86	1986-87
\$ 1 – \$8 000	13.5	13.2	29.2	23.9	2 773	2 850
8 001 – 9 000	2.0	1.9	4.2	3.3	2 660	2 690
9 001 – 10 000	2.1	2.1	4.5	3.8	2 700	2 860
10 001 – 11 000	2.2	2.2	4.5	3.8	2 623	2 740
11 001 – 12 000	2.4	2.4	4.8	4.0	2 605	2 720
12 001 – 13 000	2.3	2.2	4.4	3.8	2 515	2 660
13 001 – 14 000	2.3	2.4	4.2	3.9	2 413	2 590
14 001 – 15 000	2.3	2.3	4.2	3.9	2 323	2 690
15 001 – 16 000	2.4	2.2	4.0	3.5	2 186	2 500
16 001 – 17 000	2.4	2.4	3.8	3.7	2 059	2 470
17 001 – 18 000	2.4	2.5	3.5	3.8	1 845	2 410
18 001 – 19 000	2.5	2.3	3.4	3.4	1 790	2 340
19 001 – 20 000	2.6	2.5	3.2	3.4	1 613	2 210
20 001 – 25 000	11.8	11.7	11.1	13.5	1 199	1 830
25 001 – 30 000	11.9	11.2	5.9	8.5	631	1 200
30 001 – 35 000	11.5	11.3	2.9	5.1	325	720
35 001 – 40 000	9.8	9.9	1.3	2.5	170	390
Over \$40 000	13.6	15.3	0.9	2.2	79	220
Total	100.0	100.0	100.0	100.0	1 132	1 576

* refer to Table 5, page 6 for a discussion of the 1986-87 figures

Source: Ministry of Colleges and Universities statistical reports

Table G:

**Ontario Student Assistance Program
Gross Asset Ranges of Parents of
Dependent Students Eligible for Grants***

	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>
Parental Gross Asset Ranges	% of Students	% of Students	% of Students
Less than \$1	8.2	7.8	8.4
\$ 1 – 80 000	61.2	60.1	55.1
80 001 – 100 000	11.8	12.0	12.9
100 001 – 120 000	6.7	7.1	8.0
120 001 – 140 000	4.2	4.4	5.4
140 001 – 160 000	2.7	3.0	3.6
160 001 – 180 000	1.6	1.7	2.1
180 001 – 200 000	1.0	1.0	1.2
200 001 – 220 000	0.6	0.6	0.8
220 001 – 240 000	0.4	0.5	0.6
240 001 – 260 000	0.4	0.4	0.4
260 001 – 280 000	0.2	0.3	0.3
280 001 – 300 000	0.2	0.2	0.2
Over \$300 000	0.8	0.9	1.0
Total	100.0	100.0	100.0

* refer also to Resources Expected from Assets (page 19)

Source: Ministry of Colleges and Universities statistical reports

Table H:

**Ontario Student Assistance Program
Contribution from Students' Summer Earnings**

Contribution Ranges		% of Students		
		1984-85	1985-86	1986-87*
Less than	\$1	12.4	12.5	7.2
\$ 1 –	200	0.2	0.2	0.1
201 –	400	0.5	0.4	0.3
401 –	600	20.3	19.1	20.4
601 –	800	2.0	2.3	2.5
801 –	1 000	8.3	11.9	3.1
1 001 –	1 200 [†]	45.1	42.1	51.4
1 201 –	1 400	2.9	2.7	3.5
1 401 –	1 600	2.5	2.6	3.4
1 601 –	1 800	1.6	1.6	2.2
1 801 –	2 000	1.3	1.4	1.9
2 001 –	2 200	0.9	0.9	1.2
2 201 –	2 400	0.6	0.7	0.8
2 401 –	2 600	0.5	0.6	0.7
2 601 –	2 800	0.3	0.4	0.4
2 801 –	3 000	0.2	0.2	0.3
Over	\$3 000	0.4	0.4	0.6
Total		100.0	100.0	100.0

* Does not include students' summer earnings for married students and sole-support parents.

[†] The frequency range is large because the minimum expected student summer contribution is \$1 120 for 16 weeks of summer employment..

Source: Ministry of Colleges and Universities statistical reports

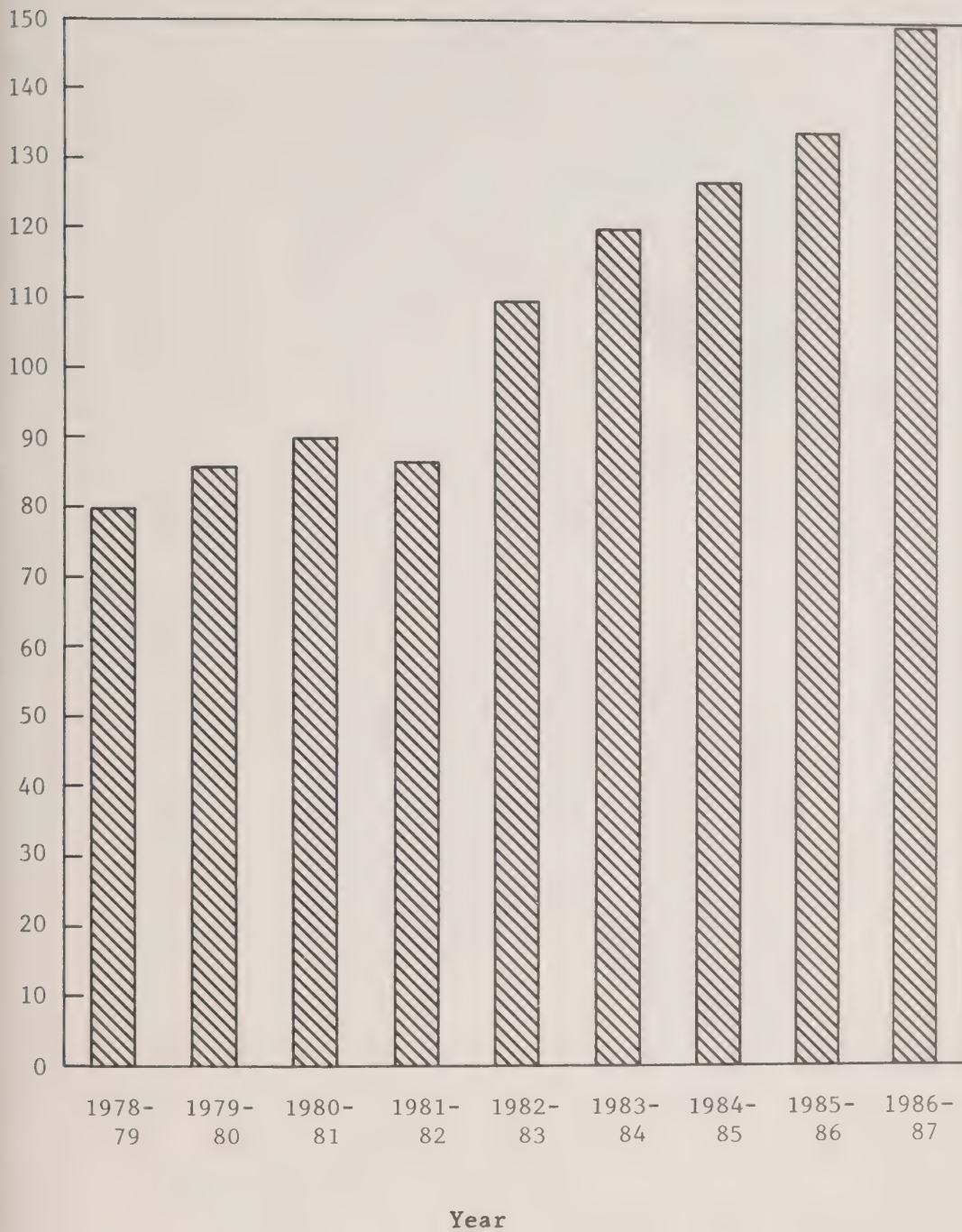
.....

A P P E N D I X T W O

CHARTS

Chart A:

**Ontario Student Assistance Program
Total Expenditure***

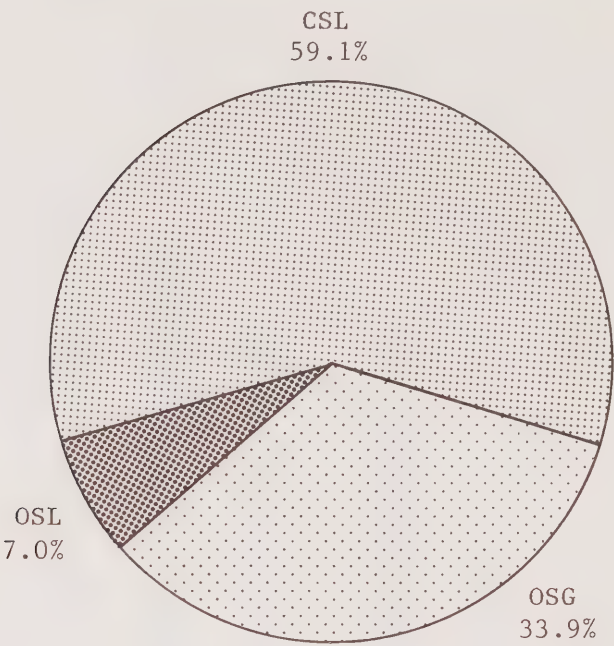


* refer to Table A, page 25 for exact amounts.

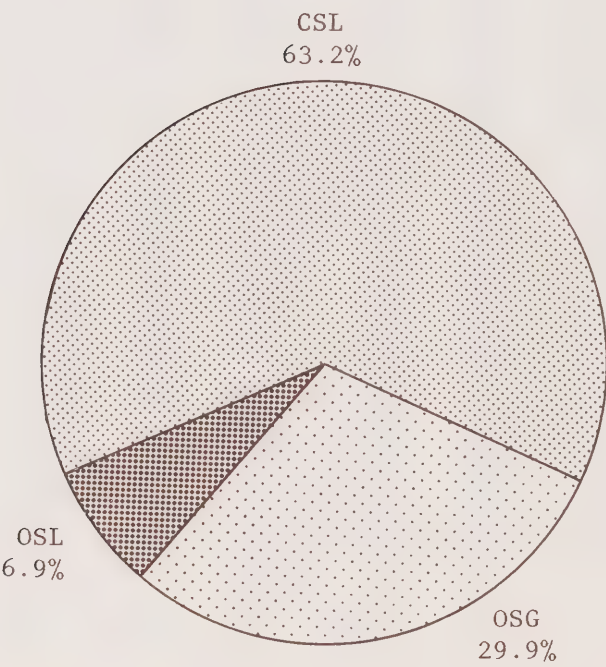
Chart B:

Ontario Student Assistance Program
Breakdown of Total Assistance

1986-87



1985-86



OSG:

Ontario Study Grant (refer to Table 5, page 6 for a discussion of 1986-87 figures)

CSL:

Canada Student Loan (refer to Table 7, page 7 and Table 18, page 13 for a discussion of 1986-87 figures)

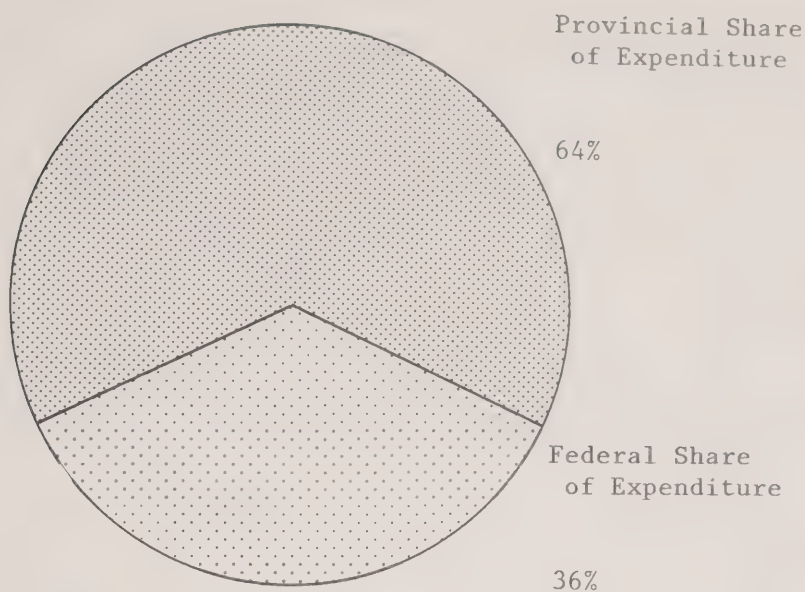
OSL:

Ontario Student Loan (refer to Table 7, page 7 and Table 19, page 14 for a discussion of 1986-87 figures)

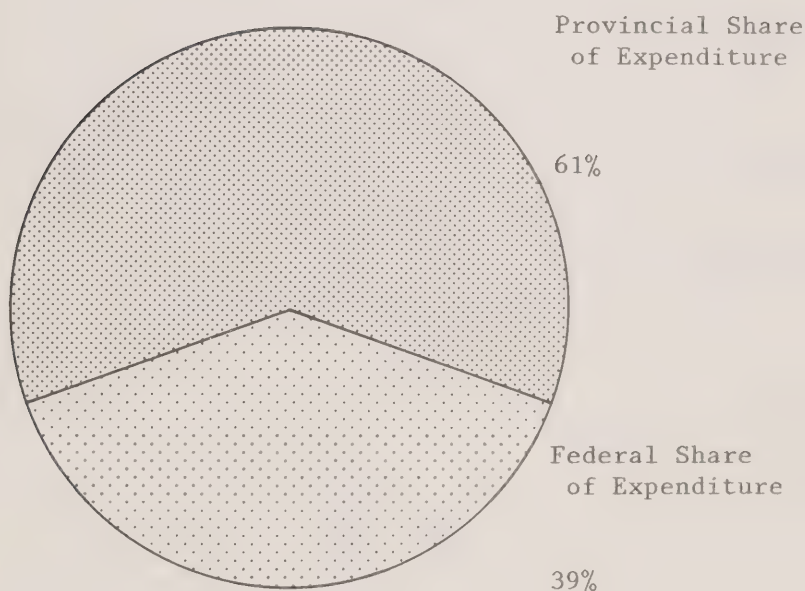
Chart C:

Ontario Student Assistance Program Expenditure* by Federal and Provincial Governments

1986-87



1985-86



*Expenditure includes: Grants and bursaries, interest on loans, payments covering loan defaults, loan commissions and other direct payments to students.

Chart D:

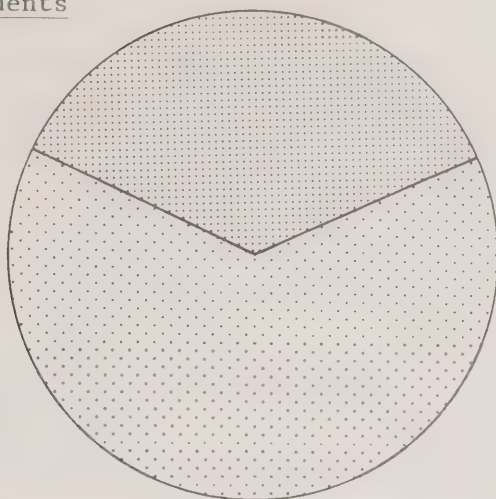
Ontario Student Assistance Program
Full-time Enrolment in Ontario Universities and Colleges
and OSAP Recipients*



* refer to Table B, page 26 for exact figures,

Chart E:

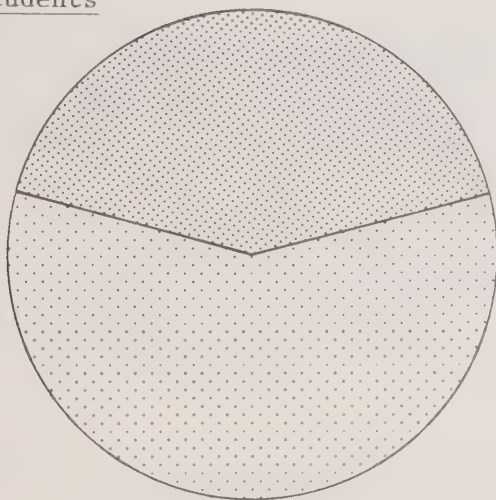
Ontario Student Assistance Program Costs of Students Applying for Grants

Dependent Single Students

Provincial Grants

56.2 %

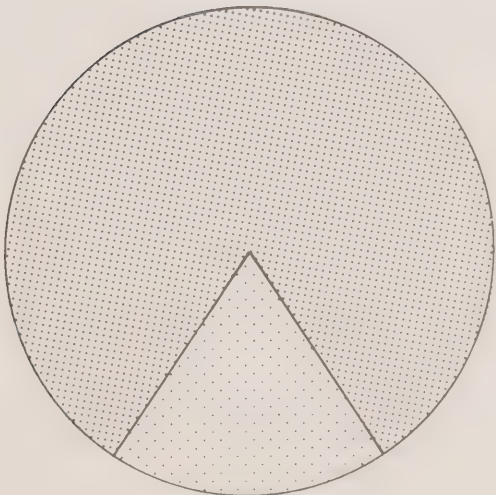
Costs met from
Students' and Parents'
Resources and/or Loans
63.8 %

Independent Single Students

Provincial Grants

41.6 %

Costs met from
Students' Own
Resources and/or Loans
58.4 %

Married Students

Provincial Grants

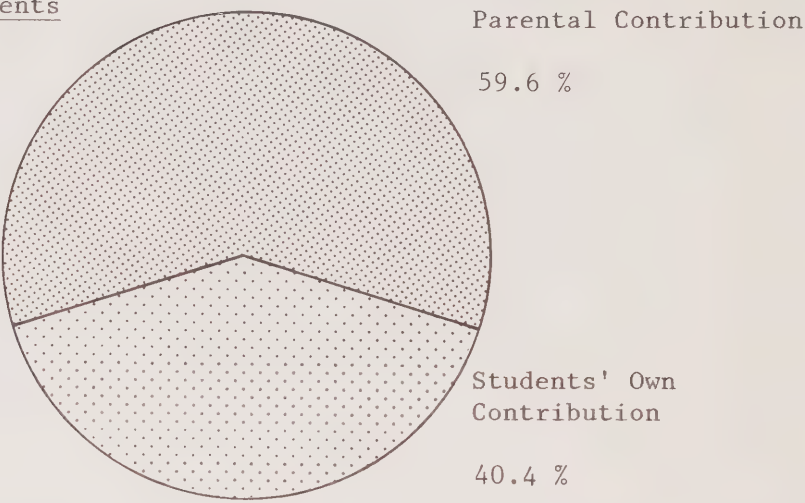
81.4 %

Costs met from
Students' and Spouses'
Resources and/or Loans
18.6 %

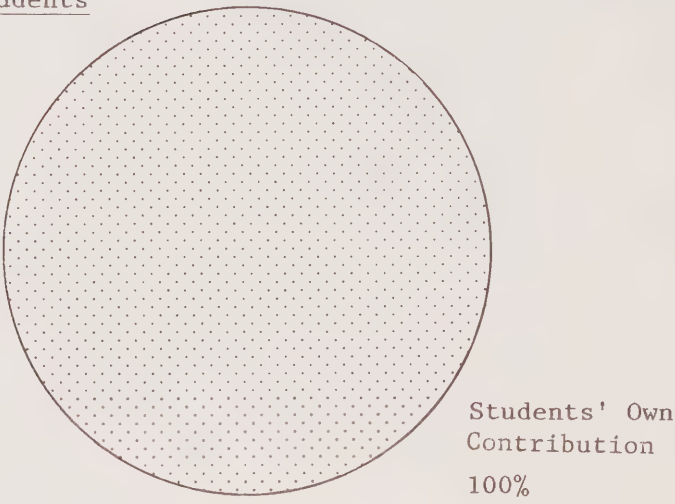
Chart F:

Ontario Student Assistance Program
Resources of Students in Grant Assessment

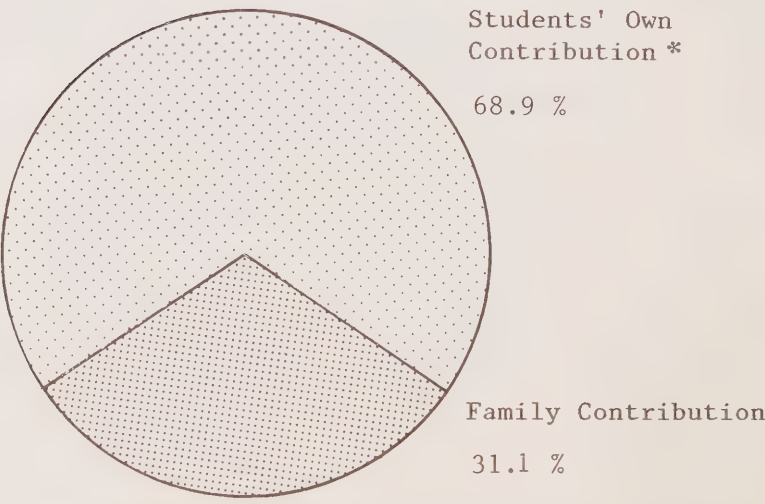
Dependent Single Students



Independent Single Students



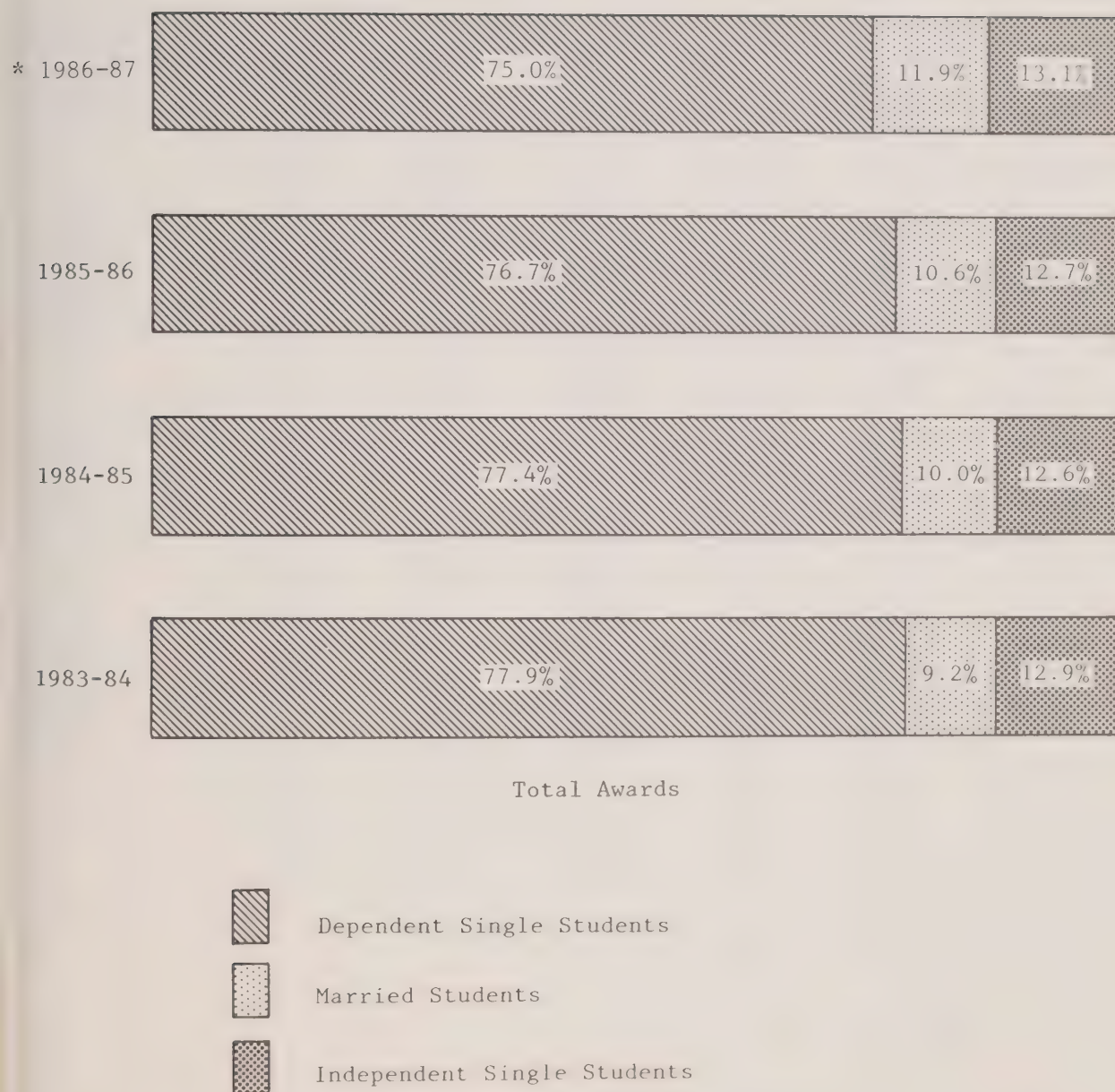
Married Students



* Includes contribution from spouses' assets, spouses' income, study period earnings, and other resources; does not include contributions from students' summer earnings.

Chart G:

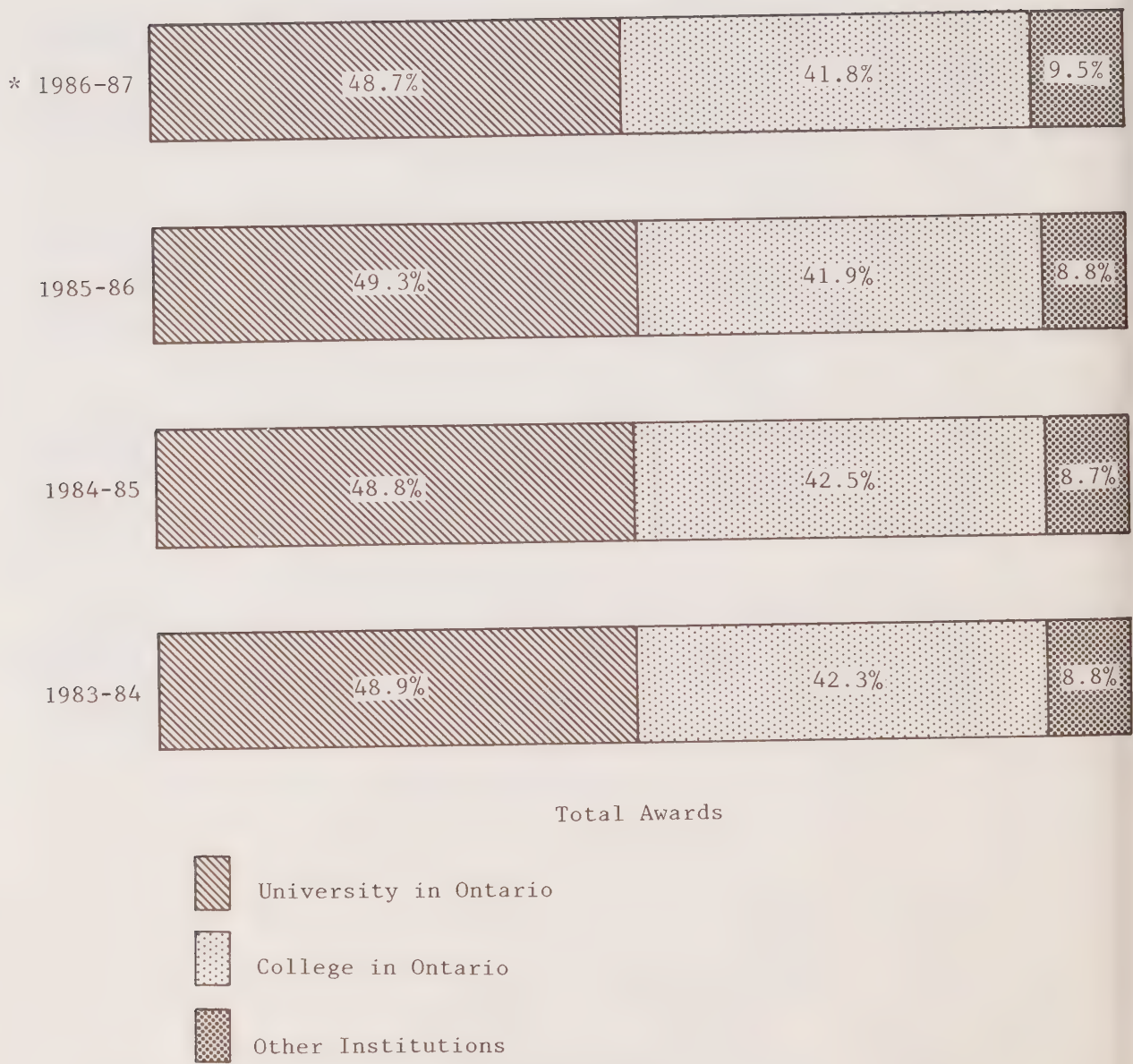
Ontario Student Assistance Program Grant Awards by Student Group



* refer to Table C, page 27 for actual 1986-87 figures.

Chart H:

Ontario Student Assistance Program
Grant Awards by Institution Type



* refer to Table 2, page 5 for actual 1986-87 figures.

Chart I:

Ontario Student Assistance Program Parental Gross Income of Dependent Single Students Receiving Grants

Percentage of students receiving grants, whose parental gross incomes are below the Ontario median income for families.

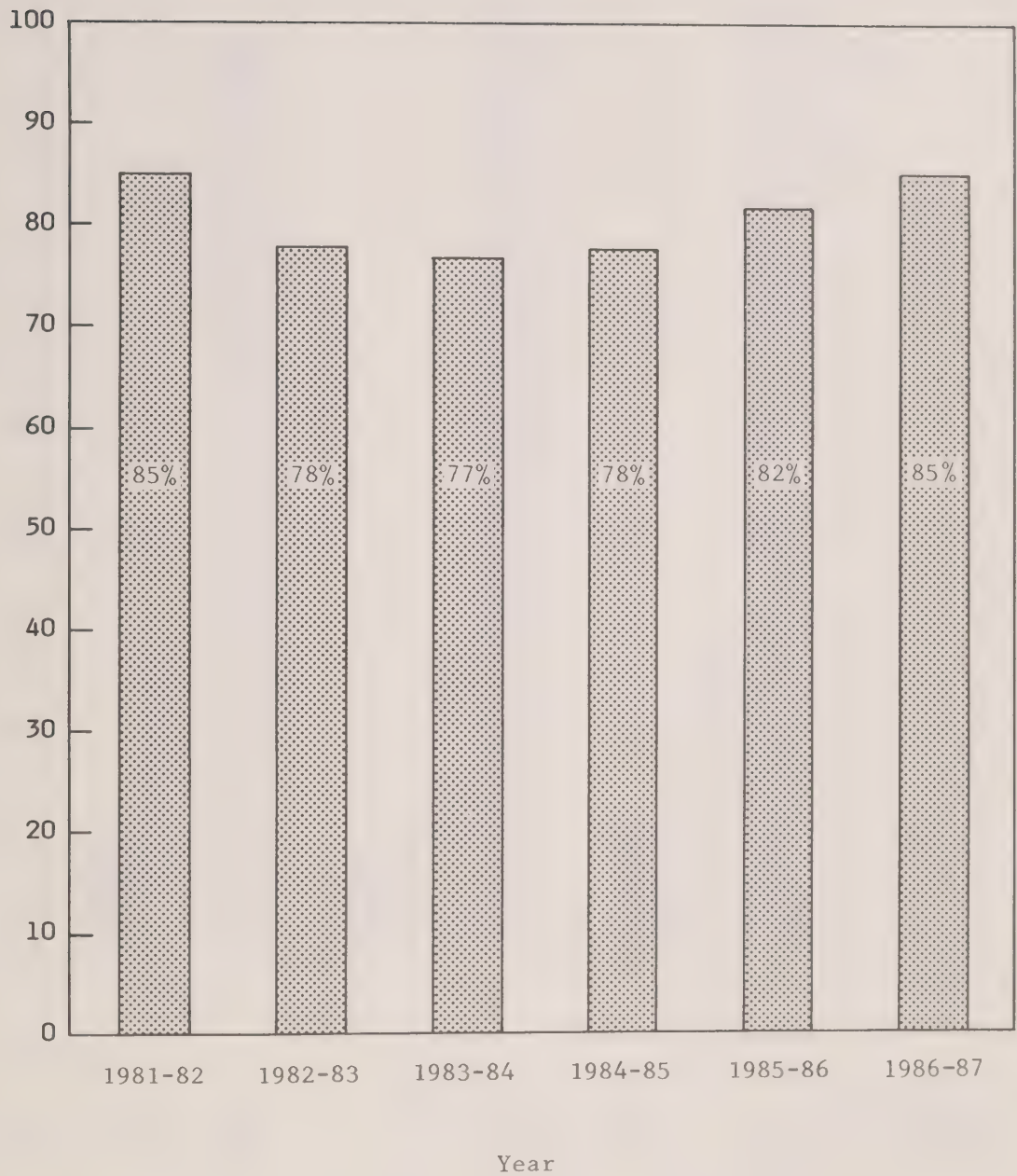
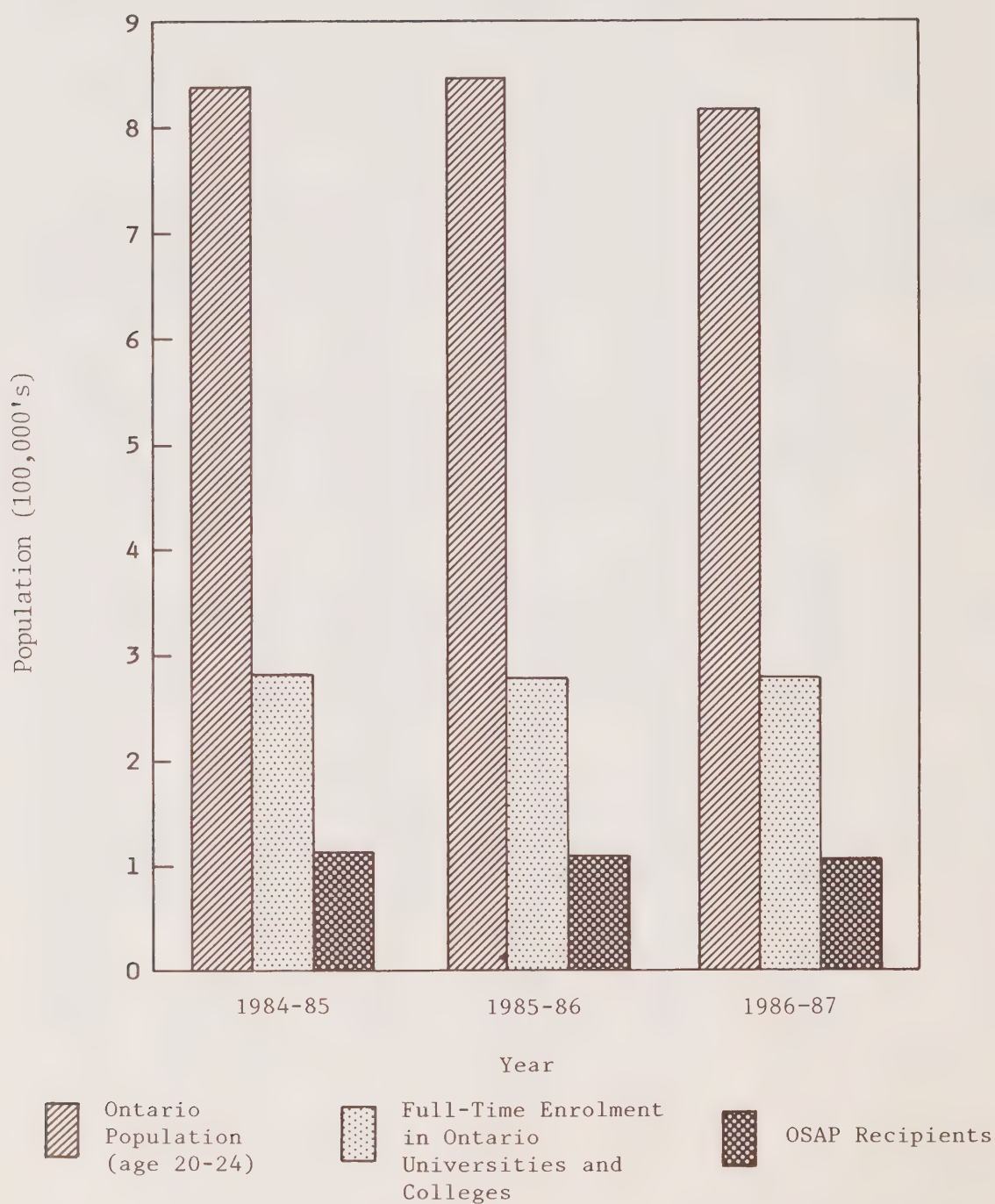


Chart J:

**Ontario Student Assistance Program
Ontario Population* (Age 20-24)
Full-time Enrolment in Ontario Universities
and Colleges, and OSAP Recipients**



* Source: Ontario Statistics 1987

CA 204
DG 120
- R25

.....

REPORT OF THE ONTARIO STUDENT ASSISTANCE PROGRAM 1987/88



Report of the Ontario Student Assistance Program

1987-88


I am pleased to present the 1987-88 Report of the Ontario Student Assistance Program (OSAP). This report provides a detailed analysis and review of the financial assistance provided to postsecondary students by the Government of Ontario. It is the tenth annual report on OSAP since the introduction of the Ontario Study Grant Plan in 1978-79.

OSAP is an integral component of the provincial government's continuing commitment to facilitating accessibility to postsecondary education for all qualified students.

The major source for the data presented in this report was the information provided on students' application forms for financial assistance. Requests for additional information relating to this report should be directed to:

Student Awards Branch
Ministry of Colleges
and Universities
P.O. Box 4500
Thunder Bay, Ontario
P7B 6G9

Telephone: (807) 345-4830
Toll-free: 1-800-465-3013



Lyn McLeod
Minister of Colleges and Universities

TABLE OF CONTENTS (Con't.)

	<u>Page</u>
 Appendix 1: Tables	
A. Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds	25
B. Full-time Enrolment and OSAP Recipients	26
C. Grant Awards by Student Group	27
D. Grant Awards - Dollar Ranges	28
E. Average Grant Awards by Student Group	29
F. Grants Received by Dependent Students According to their Parental Gross Income Ranges	30
G. Gross Asset Ranges of Parents of Dependent Students Eligible for Grants	31
H. Contribution from Students' Summer Earnings	32
 Appendix 2: Charts	
A. Total Expenditure	35
B. Breakdown of Total Assistance	36
C. Expenditure by Federal and Provincial Governments	37
D. Full-time Enrolment in Ontario Universities and Colleges and OSAP Recipients	38
E. Costs of Students Applying for Grants	39
F. Resources of Students in Grant Assessments	40
G. Grant Awards by Student Group	41
H. Grant Awards by Institution Type	42
I. Parental Gross Income of Dependent Single Students Receiving Grants	43
J. Ontario Population (Age 20-24), Full-time Enrolment in Ontario Universities and Colleges, and OSAP Recipients	44

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Summary	2
Aid Recipients	4
Amount of Assistance Received	6
Students' Educational Costs and How They Were Met	8
Family Profile of Students Receiving Assistance	10
Study Level/Course Profile	11
Canada Student Loans Program	13
Ontario Student Loans Plan	14
Ontario Special Bursary Plan	17
Ontario Work-Study Plan	18
Resources Expected From Assets	19
Appeal Board	19
Ministry Verification of Information	20
Assistance To Students Enrolled in Private Vocational Schools	20
Conclusion	21

In 1987-88 a student was classified as Group B (independent of parental financial resources) for *grant* assessment if he/she was married *or* was a sole-support parent with a dependent child or children *or* had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for the federal *loan* assessment if he/she was married *or* was a sole-support parent with a dependent child or children *or* had worked full-time for two periods of twelve consecutive months *or* had been out of secondary school for four full years. A student who did not meet the criteria above was classified as Group A (dependent on parental financial resources).

Summary¹

The highlights of the 1987-88 program are as follows:

- During the academic year 1987-88² a total of 104 972 students, approximately 89% of applicants, received aid in the form of loans and grants under the Ontario Student Assistance Program. These students received assistance of \$393.28 million³; \$153.39 million of this was in the form of grants, and \$239.89 million in the form of loans (see Table 1, page 4).
- Approximately 41% of the total grant money provided to dependent single students was received by students whose parents earned incomes less than \$14 200, and 75% by students with parental incomes less than \$25 000.
- Of all students in full-time enrolment in Ontario colleges and universities, 36% received assistance from the Ontario Student Assistance Program. Of these, 26% received a mix of grants and loans and 10% received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities dropped slightly from the previous year.
- The average value of grants increased in 1987-88 by 20% for dependent single students, 23% for married students, and increased by 26% for independent single students (see Table 5, page 6).
- The number of grant awards for students enrolled in private vocational schools decreased by 6%. This corresponds to the 6% decrease in the number of applications for assistance.
- The number of grant awards for students in universities and colleges of applied arts and technology also declined by 6%. This is attributable to the decline in the number of applications from university and college students by 2.2% and 3.4% respectively, and an increase in the financial resources of many students. Grant awards for Ontario students studying outside the province increased by 30%.

-
1. Detailed tables on the various distributions of these awards are provided as appendices to this report. Information presented as a percentage in the summary is rounded off to the nearest whole percent.
 2. An academic year covers the period from July of one year to August of the following year (from September to the following April for most students) and overlaps two government fiscal years which run from April 1 to March 31.
 3. Assistance consists of loans and grants provided to students and does not include the expenditure made on interest payments and defaults on loans.

Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920s, however, the first comprehensive form of student aid was introduced through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. The Dominion-Provincial Student Aid Program was designed to help students who showed academic potential but lacked the necessary financial resources to gain access to a university education. The provincial government matched the federal financial contribution. This program continued until 1964-65, when it was superseded by the Government of Canada Student Loans Plan, which was based solely on financial need. Provincial grants were then introduced in 1966 to supplement the federal loans. In 1978, the criteria governing eligibility and assessment of financial need for the Ontario Grant Plan were developed and administered separately from the Federal Loan Plan.

The Ontario Student Assistance Program consists of six plans. The Ontario Ministry of Colleges and Universities finances the Ontario Study Grants Plan, the Ontario Student Loans Plan, the Ontario Special Bursaries Plan, and the Ontario Work-Study Plan. The Department of the Secretary of State of Canada finances the full-time and part-time Canada Student Loans Plan. This report deals primarily with the four provincially-funded plans.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents to facilitate access to postsecondary education. To meet this objective, assistance is provided in the form of non-repayable grants (Ontario Study Grants – for the first four years of postsecondary study); guaranteed, interest-subsidized loans (Ontario Student Loans); non-repayable bursaries for part-time students (Ontario Special Bursaries). The “needs test”, which is basic to the plans under the Ontario Student Assistance Program, determines what students require by way of supplemental financial assistance to help them undertake postsecondary study, in addition to resources available to the students and their families.

Unlike some of the student assistance programs in Canada, the Ontario Student Assistance Program offers grant funds first to the students with the greatest financial need. This increases the accessibility to postsecondary education for students from lower income families.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1987-88. It analyses the assistance provided under the program, to whom aid was given and in what form. It also reviews the program's operation in terms of its individual components.

Wherever possible, comparative data are provided for earlier years. All amounts shown are in “current dollars”. No allowance has been made for inflation. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to borrow the first \$1000 of need as a federal loan before receiving any grant assistance from the province. Currently, a student is assessed simultaneously for grant and loan assistance, with the award being administered in a form consistent with the student's financial background.

- There was a 3% increase in the number of married students receiving grants and a 1% increase in the number of independent single students. The number of dependent single students receiving grants decreased by 7%.
- Of the total grant awards, 57% were made to female students and 43% to male students (see Table 4, page 6).
- Of the students enrolled in Ontario's universities, 36 480 (19% of full-time student enrolment) received assistance in the form of grants or a mix of grants and loans. Approximately 97% of these students were enrolled in undergraduate programs. The remainder were enrolled in graduate programs or diploma, certificate and other non-degree programs.
- Of the students enrolled in Ontario's colleges, 31 375 (33% of full-time college enrolment) received grants and/or loans. These students were enrolled in the following programs: 28 752 in diploma programs, 2 600 in certificate programs, and 23 in other programs.
- A total of 4 011 students, an increase of 46% from 1986-87, received funds under the Ontario Work-Study Plan. This plan was introduced in 1982-83 to help students with special financial needs not met under the regular OSAP assessment.
- Approximately \$1.5 million, an increase of 17% from 1986-87, was provided to students through the Ontario Special Bursary Plan, a component of OSAP that provides assistance for students in serious financial need who are taking 60% or less of a full course load.

Aid Recipients

For the academic year 1987-88, a total of 75 584 grant awards were issued for a dollar value of \$153.39 million. In addition, 104 972 loans were issued with a value of \$239.89 million, consisting of \$209.59 million in federal loans and \$30.38 million in provincial loans. Most of the students who received grants were also eligible for loans.

Table 1: Student Awards by Type (for a comparison with 1986-87 refer to Chart B, page 36)

	Number of Awards		Dollar Value (in millions)	
Grants	75 584	(41.9%)	\$153.39	(39.0%)
Loans *	104 972	(58.1%)	\$239.89	(61.0%)
Total	180 556		\$393.28	

* Includes both Ontario and Canada Student Loans

There was a decrease of 4.7% in the total number of grant awards issued in 1987-88 compared to the previous year. The decrease in loan awards for the same period was 3.3%. (This was a direct result of student contributions increasing and reflects the continuing strength of the student job market.)

Of the total grant awards issued in 1987-88, 36 480, or 48.3%, were made to students attending universities in Ontario and 31 375, or 41.5%, to students enrolled in Ontario colleges of applied arts and technology.

Of the total loan awards, 29 388 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1987-88. Grants made under the Ontario Student Assistance Program are limited to students in the first eight terms of postsecondary study with each term usually coinciding with one academic semester. Out of the total loans issued, 54 262, or 51.7%, were to Ontario university students and 35 892, or 34.2%, to college students. Table 2 presents a breakdown of loan and grant assistance.

Table 2: Student Awards by Type of Institution Attended

Institution Attended	<u>Grants</u>		<u>Loans</u>	
	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	36 480 (48.3%)	\$ 77.10 (50.3%)	54 262 (51.7%)	\$ 130.05 (54.2%)
College in Ontario	31 375 (41.5%)	\$ 62.18 (40.5%)	35 892 (34.2%)	\$ 61.21 (25.5%)
Other Institution*	7 729 (10.2%)	\$ 14.10 (9.2%)	14 818 (14.1%)	\$ 48.68 (20.3%)
Total	75 584	\$153.39	104 972	\$239.89

* Other institutions include private vocational schools and postsecondary institutions outside of Ontario.

The breakdown of loans and grants by student background is summarized in the following table.

Table 3: Number (%) of Student Awards by Type of Student (for grant awards since 1978 refer to Table C, page 27)

	<u>Grants</u>	<u>Loans</u>
Dependent single students [†]	55 268 (73.1%)	59 772 (56.1%)
Independent single students [†]	10 537 (13.9%)	32 251 (30.7%)
Married students [★]	9 779 (12.9%)	12 949 (12.3%)
Total	75 584	104 972

[†] These terms are used to describe students who are deemed to be dependent or independent of parental financial resources. For Ontario Study Grant purposes, a student is considered to be independent when he or she has been in the work force full-time for three years, is married or is a single parent.

[★] Included in the married students are 5 894 sole-support parents who received grant and loan assistance and 1153 sole-support parents who were awarded loans only.

Of the grant awards, 70 749, or 93.6%, were made to Canadian citizens, and the remainder (4 835, or 6.4%) to permanent residents (landed immigrants). As for loan awards, 97 909 (93.3%) were issued to Canadian citizens, and 7 063 (6.7%) to permanent residents.

During the academic year 1987-88, the proportion of grant awards given to female students increased slightly, as shown in Table 4.

Table 4: Students Receiving Assistance

	<u>Grants</u>		<u>Loans</u>	
	1986-87	1987-88	1986-87	1987-88
Male Students	35 141 (44.3%)	32 523 (43.0%)	49 275 (45.4%)	46 766 (44.6%)
Female Students	44 186 (55.7%)	43 061 (57.0%)	59 272 (54.6%)	58 206 (55.4%)
Total	79 327	75 584	108 547	104 972

Amount of Assistance Received

Of the total dollar value of grants, 68.1% was received by dependent single students; independent single students and married students received 16.2% and 15.7% respectively of the total grants. Table 5 shows the average grant assistance for the three groups of students and the change from 1986-87.

Table 5: Average Grant Assistance by Type of Student (to compare with 1985 to present, see Table E, page 29)

	1986-87	1987-88	% Change
Dependent single students	\$1 576	\$1 888	+19.8
Independent single students	1 872	2 358	+ 26.0
Married Students	2 001	2 459	+22.9

The significant increase in the average grant assistance reflects the increase in the personal and living allowances provided.

The average grant assistance to dependent single students shown in Table 5 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 68.6% lived away from home during 1987-88. The corresponding percentage for 1986-87 was 67.4.

The award profile of students according to the type of institution they attended is shown in Table 6.

Table 6: Average Grant Assistance by Type of Institution Attended

<u>Institution Attended</u>	<u>Average Grant</u>		% Change
	1986-87	1987-88	
University in Ontario	\$1 786	\$2 114	+18.3
College in Ontario	1 633	1 982	+21.4
Other Institutions	1 283	1 825	+42.2

Average grant awards for all students in Ontario's postsecondary institutions have increased in 1987-88, mainly due to increases in costs and allowances provided. Awards for students enrolled in universities and colleges increased by 18.3% and 21.4% respectively.

The figures for loans issued in 1987-88 are shown in Tables 7 and 8. The average loan assistance to dependent single students and married students decreased by 2.1% and 4.8% respectively mainly because of the corresponding increase in grants for these students, while the average loan for independent single students fell by 7.3%.

Table 7: Average Loan Assistance by Student Background

	<u>Average Loan</u>		% Change
	1986-87	1987-88	
Dependent single students	\$1 570	\$1 538	-2.1
Independent students	3 510	3 254	- 7.3
Married Students	3 478	3 311	- 4.8

Table 8: Average Loan Assistance by Type of Institution Attended

<u>Institution Attended</u>	<u>Average Loan</u>		% Change
	1986-87	1987-88	
University in Ontario	\$2 494	\$2 397	- 3.9
College in Ontario	1 864	1 705	- 8.5
Other Institution	3 262	3 282	+ 0.6

There has been a decrease in loan assistance received by all university and college students. The primary reason for this is the increase in grants for these students.

Table 9 shows the distribution of grant awards for the two academic years 1985-86 and 1987-88.

Table 9: Distribution of Grant Awards by Value (for 1985 to present, refer to Table D, page 28)

<u>Value of Grant Awards</u>	<u>Percentage of Recipients</u>			
	1986-87	cum %	1987-88	cum %
\$ 1 – \$ 500	9.7	–	8.0	–
501 – 1 000	11.5	21.2	9.7	17.7
1 001 – 1 500	13.2	34.4	13.0	30.7
1 501 – 2 000	12.8	47.2	10.5	41.2
2 001 – 2 500	19.2	66.4	10.4	51.6
2 501 – 3 000	7.9	74.3	17.6	69.2
Over \$3 000	25.7	100.0	30.8	100.0

As Table 9 indicates, there was an increase of 5.1% in awards in the over \$3 000 range in 1987-88.

In 1987-88, 13 875 students who were eligible for grant assistance did not receive an award because they had sufficient resources to cover the costs identified by the assessment.

The possible range of grant award assessments during 1987-88 ranged from a minimum of \$50 to a maximum of \$7 000. Similarly, the loan assessments had a wide spread, from \$100 to over \$8 000.

Students' Educational Costs and How They Were Met

The costs of students attending postsecondary institutions are composed of tuition fees, ancillary fees such as laboratory fees, student union fees and athletic fees, books and equipment, transportation, food and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources and those of the families to the extent needed to meet these costs. During 1987-88, student costs in the grant assessments consisted of 22.0% for tuition fees, 56.5% for food and accommodation, 11.6% for books and equipment, and the balance, 9.9%, for other miscellaneous costs. The average costs of the different student groups are shown in Table 10. They reflect the general increase in costs for all groups.

Table 10: Average Student Cost by Type of Student

	1986-87	1987-88	% Change
Dependent single students	\$4 350	\$4 660	+ 7.1
Independent single students	4 498	4 835	+ 7.5
Married Students	2 458	2 933	+19.3

The average student costs by type of institution attended are given in Table 11.

Table 11: Average Student Costs by Type of Institution Attended⁴

	1986-87	1987-88	% Change
Universities in Ontario	\$4 663	\$4 963	+ 6.4
Colleges in Ontario	3 762	4 047	+ 7.6
Other Institution	3 170	3 772	+ 19.0

For students attending Ontario's universities, the average tuition fee increase in 1987-88 was \$81. Tuition fee increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately \$23.

Approximately 53% of the total educational costs of all students eligible for grants in 1987-88 was met out of the resources of the students and/or their families. The remaining 47% was covered by grants from the Ontario Study Grant Plan. For the three categories of students, the proportion of their total costs met by non-repayable grants is as follows: for dependent single students 40.5%, for independent single students 48.8% and for married students 83.8%.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the student's own contribution (36.9%) and a parental contribution (63.1%). Parental contribution accounted for about 65.8% of the total resources for students living away from home and 54.7% for students living with parents while at school. The latter parents provided assistance in kind through the provision of room and board to the student.

4. The average costs for university students are higher than for college students due to higher tuition fees.

Family Profile of Students Receiving Assistance

Just over 70% of the dependent single students who received grant assistance in 1987-88 were from families with one or two children. The distribution of families by number of children is given in Table 12.

Table 12: Family Size of Dependent Single Students Receiving Grants

Number of children	% of Students	Cum %
1	37.0	—
2	33.2	70.2
3	19.6	89.7
4	7.2	97.0
5 and over	3.0	100.0

The grants received by dependent single students were based on parental income and also on the number of children in their family, and in particular, the number of children attending postsecondary institutions simultaneously. The average award for students whose parental incomes were \$15 000 or lower was \$2 989, while the average award for those whose parents earned over \$30 000 was \$769. Table F on page 30 summarizes the average grant for income ranges in 1986-87 and 1987-88.

Over 44% of the total value of grant assistance provided to dependent single students was received by students whose parental incomes were \$15 000 or less. An additional 41% was received by students whose parents earned between \$15 001 and \$30 000. Approximately 15% of the total grant funds reached students whose parents were earning in excess of \$30 000.⁵

Statistics Canada's median⁶ income for families in Ontario for 1987 was \$43 789. Students who came from families below the median income received approximately \$103.9 million in grants, which represents 98.0% of the total grants provided to dependent single students in 1987-88.

The majority (52.7%) of married students who received grants in 1987-88, had a family gross income below \$10 001. Close to 31% of these married students had incomes below \$5 001.

5. The actual amount of assistance depends on a "need assessment" which takes into account the resources available to the students and the costs they are expected to incur during the study period.

6. Median is a statistical term which indicates the middle point of a data set. In this example, half of the family incomes in Ontario are greater than \$43 789, and half are less.

Study Level/Course Profile

The students who were assisted with grants in 1987-88 were, for the most part, enrolled in post-secondary courses of twenty-six to thirty-eight weeks duration. The grant recipients in 1987-88, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (%) by Type of Institution and Length of Course

Course Length	% In Ontario's Universities	Cum %	% In Ontario's Colleges	Cum %	% In Other Institutions	Cum %
Less than 19 weeks	7.3	-	14.2	-	20.0	-
20 - 25 weeks	1.0	8.3	1.9	16.1	8.8	28.9
26 - 32 weeks	7.0	15.3	2.6	18.7	28.8	57.7
33 - 38 weeks	77.3	92.6	73.0	91.7	23.9	81.6
Over 38 weeks	7.4	100.0	8.3	100.0	18.4	100.0

Universities in Ontario

Because grants are awarded to students in the first eight terms of postsecondary study, most of the grant recipients in 1986-87 (96.2%) were enrolled in undergraduate programs. About 3.3% of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (73.7%) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1987-88 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants By Type of Program

	% of All Students Receiving Grants	% of Total Enrolment
Arts and Sciences	73.7	53.6
except Law	0.3	2.2
except Theology	0.0	0.4
Engineering and Technology	8.1	7.8
Administration/Business	7.9	10.2
Health Sciences	4.6	2.4
except Medicine	0.5	3.4
except Dentistry	0.1	0.3
Education and Social Work	3.3	6.3
Other	1.3	3.6
Graduate Studies	0.3	9.8

Of the students who received *only loans*, 12.4% were enrolled in graduate programs, and the remaining 87.6% were registered as undergraduates or professional. The large number of loan recipients in undergraduate and professional programs is the result of students not qualifying for grant assistance but qualifying for loans, students taking a second bachelor's degree or diploma, students repeating courses, or students enrolling in longer programs (programs in excess of four years of study) which require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1987-88.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

	% of All Students Receiving Loans	% of Total Enrolment
Arts and Sciences	45.8	53.6
except Law	7.4	2.2
except Theology	0.2	0.4
Engineering and Technology	7.3	7.8
Administration/Business	5.1	10.2
Health Sciences	3.9	2.4
except Medicine	6.6	3.4
except Dentistry	1.3	0.3
Education and Social Work	9.0	6.3
Other	1.2	3.6
Graduate Students	12.4	9.8

Colleges in Ontario

The types of programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1987-88 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants, by Type of Program

Program of Study	% of Students	Cum%
Administration/Business	33.1	—
Arts and Sciences	19.7	52.8
Engineering and Technology	17.2	70.0
Health Science	16.3	86.3
Education and Social Work	9.5	95.8
Trades and Vocations	2.5	98.3
Other	1.7	100.0

Table 17 shows the distribution of college students receiving only loans in 1987-88.

Table 17: Distribution of College Students Receiving only Loans, By Type of Program

<u>Faculty</u>	Diploma	<u>Percentage of Students</u>		
		Cum %	Certificate	Cum %
Health Sciences	26.0	—	17.1	—
Administration/Business	18.2	44.2	15.6	32.7
Engineering and Technology	19.1	63.3	14.7	47.4
Arts and Sciences	27.4	90.7	22.9	70.3
Education and Social Work	6.6	97.3	2.5	72.8
Other	2.7	100.0	27.2	100.0

Canada Student Loans Program

The Canada Student Loans (CSL) Program is one of the student aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past ten years is shown in Table 18.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Eligible for Loan Assistance	Amount of Loans Assessed (millions)
1977-78	80 959	\$86.27
1978-79	75 106	74.42
1979-80	81 936	73.20
1980-81	78 991	83.39
1981-82	81 180	101.91
1982-83	100 778	146.54
1983-84	112 452	228.35
1984-85	114 369	255.64
1985-86	109 395	243.31
1986-87	108 547	231.29
1987-88	104 972	209.59

There was a large increase in the total value of Canada Student Loans assessed in 1983-84. This was primarily the result of a change in the Canada Student Loans Act under which the maximum loan assistance which students could receive was almost doubled.

Costs and allowances under the Canada Student Loans Program are more generous than those allowed in the Ontario Study Grant Plan. This difference provides some students with loans, as required, to meet their additional expenses related to their educational costs.

Ontario Student Loans Plan

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their study program was less than the minimum (twenty-six weeks), their program of study was not approved for Canada Student Loans, or their course load was less than 60% of a full program. The provincial loan plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately \$3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at \$1800 from 1974 to 1983 in spite of annual increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans top off federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. Table 19 illustrates the disbursement of provincially guaranteed loans since 1977-78.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	\$ 1.6
1978-79	16.1
1979-80	18.0
1980-81	21.95
1981-82	27.65
1982-83	51.34
1983-84	24.92
1984-85	26.94
1985-86	26.68
1986-87	27.45
1987-88	30.30

As Table 19 shows, there was a sharp increase in Ontario Student Loans issued in 1982-83. This change was the result of a new formula used to calculate the contribution from parental income. Instead of net income being used to ascertain the contribution, the gross income was used with the table structure being revised to accommodate this change. The increase was offset the next year when the federal government increased the ceiling on Canada Student Loans to \$100 per week from

\$56.25, and then to \$105 per week in 1984-85. This transferred the loan balance back to the Canada Student Loan program and accounts for the subsequent drop in Ontario Student Loans.

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure – (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks under provincial guarantee. (See Table 20.)

Table 20: Ontario Student Loans - Interest and Claims

<u>Year</u>	<u>Interest on Loans</u>	<u>Claims Paid Under Guarantee</u>	
		<u>Number</u>	<u>Amount</u>
1976-77	\$ 107 521.67	10	\$ 8 571.33
1977-78	155 871.77	141	128 657.23
1978-79	170 625.37	226	253 551.63
1979-80	874 872.10	407	498 567.90
1980-81	2 807 474.24	944	1 229 125.76
1981-82	4 910 029.01	1 493	2 276 193.99
1982-83	6 054 284.09	1 159	2 282 985.91
1983-84	7 161 107.87	2 161	4 731 173.13
1984-85	7 065 405.08	2 325	6 118 859.92
1985-86	5 845 658.97	4 550	8 633 031.03
1986-87	5 628 633.29	4 423	7 240 376.71
1987-88	4 960 660.47	2 149	6 836 206.28

Under the Ontario Student Assistance Program, 243 544 provincial loans have been negotiated since its inception and only 8.1% of these loans have been claimed by banks as defaults.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once the amounts claimed are paid to the banks, procedures are initiated by the Central Collection Service of the province to recover the amounts due from the defaulting student borrowers.

A number of the defaulted loans are recovered from the students, usually with a commitment to provide repayment over an agreed period of time. There was a net recovery of 8.4% in terms of dollars during 1987-88. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The amounts collected in the last three years were \$1 684 223 in 1985-86, \$1 876 582 in 1986-87 and \$2 275 400 in 1987-88.

The value of defaulted loans since the inception of the Ontario Student Loans Plan is approximately \$37.27 million. The claims (principal amount owing on loans and interest accrued thereon) vary in value from less than \$100 to over \$4 000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

In an attempt to reduce claims, students are advised, when they are located, about the consequences of loan defaults. As well as repaying the loan debt to a collection agency, the defaulters face other consequences: no consideration for further assistance until one year after the full repayment of the debt and accumulated interest.

Table 21: Student Loan Claims By Amount

Claim Ranges	% of Loan Accounts	Cum %
\$ 1 - \$ 500	12.3	-
501 - 1000	16.8	29.1
1001 - 1500	14.4	43.5
1501 - 2000	19.6	63.1
2001 - 2500	11.9	75.0
2501 - 3000	7.1	82.1
3001 - 3500	4.2	86.3
3501 - 4000	3.9	90.2
4001 and over	9.8	100.0

As Table 21 shows, 75% of the provincial claims were in the less than \$2 001 range.

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Unwillingness/Non-cooperation	36.4
Inability to locate/trace/contact student borrower	28.5
Unemployment	11.9
Bankruptcy	4.9
Illness	2.0
Death	1.1
Other miscellaneous reasons	15.2
Total	100.0

Ontario Special Bursary Plan

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist special categories of students such as sole-support parents, those receiving social welfare assistance, the unemployed and individuals with low incomes. The bursary is intended to help students unable to obtain other financial assistance and is primarily nonrepayable assistance given to entry level students who are unable to attend full-time studies. The primary purpose of the bursary is to help students acquire marketable skills and improve their earning potential. Over the past ten years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1985-86 to 1987-88 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1985-86	1986-87	1987-88
Number of students assisted	2 564	2 688	2 226
Total assistance provided	\$1 231 947	\$1 246 718	\$1 460 097
Average bursary award	480	464	656
Maximum bursary	1 200	1 200	1 500

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60% course load or less. However, because of its suitability for students in academic upgrading programs at community colleges, students enrolled in these programs with a course load of over 60% are now also permitted to apply for special bursaries.

Of the total number of students who received bursary assistance in 1987-88, about 25% were males and 75% were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	% of Students
Single Male	10.6
Single Female	15.0
Sole-support parents	60.7
Other married students	13.7
Total	100.0

Of all the bursary recipients, 78.4% had no employment to report during the period of study. The remaining 21.6% had some kind of employment; 6.0% in full-time employment and 15.6% part-time employment.

Seventy-seven per cent of bursary recipients in 1987-88 were receiving direct or indirect support of some kind from a government agency, as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	% of Students
Family Benefits allowances	43.3
General Welfare allowances	25.9
Unemployment Insurance Benefits	4.7
Other pension benefits	2.3
Manpower allowances	0.3
Penitentiary allowances	0.6
Rehabilitation benefits	0.2
Workers' Compensation benefits	0.4
Subtotal	77.7
Those receiving no support	22.3
Total	100.0

A large majority of the bursary recipients (69.7%) did not have any prior postsecondary education. Of the total bursary recipients 26.6% had some postsecondary education. Another 4.3% had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 49.1% were sole-support parents.

Ontario Work-Study Plan

In 1982-83 the Ontario Work-Study Plan was introduced as part of the Ontario Student Assistance Program. The objective of this plan is to provide financially needy students with additional funds in the form of remuneration for work done, in order to help them meet their costs without an excessive dependence on loans. This plan emphasizes the principle of self-help and permits students to make up the shortfall in their cash requirements by working on campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the postsecondary institutions.

The expenditure for the program in the fiscal year 1987-88 was \$1 040 653 which represents a half share of the total outlay for the plan. The response to the plan has been enthusiastic from both students and the postsecondary institutions which have participated in the plan.

A breakdown of the recipients of work study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution

	# of Recipients	As % of Total
University in Ontario	2 760	68.8
College in Ontario	1 251	31.2
Total	4 011	100.0

The main reasons which prompted these students to apply for work study funds were: need above grant maximums (30.6%), expected resources not available (29.6%), high loan indebtedness (17.4%) and some costs not recognized under OSAP (16.7%). An example of this latter might be that costs incurred in students' projects required for their program (e.g. Fine Arts, Architecture) were higher than those accepted for OSAP purposes.

Resources Expected From Assets

The policy requiring a contribution from assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected from the net value of the student's or family's assets, when determining the student's financial need. Because of this contribution from assets, funds available in the program could be directed to those students who need assistance most. In 1987-88, 12 595 students who received grants had a contribution from parental assets, the average contribution was \$1 351 per student. The average contribution on assets for 1007 married students was \$2 015 each. There were 5 251 students receiving grants who had a contribution expected from their own assets; 7.0% of grant eligible students overall had assets in the range where a contribution may be expected. The average amount was \$930 per student.

Appeal Board

Students with unique circumstances which are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. Appeals are initially reviewed in the Appeals Section of the Student Awards Branch. Circumstances which cannot be accommodated within appeal guidelines are forwarded to an independent Appeal Board consisting of representatives from the student organization, the public, Ontario Association of Student Financial Aid Administrators and the on-campus administrators of OSAP. The Appeal Board ensures equity in individual cases and provides additional support funds when needed.

The following are some of the reasons for students' appeals: waiver of student asset contribution (2.8%), waiver of parental asset contribution (6.7%), spousal inability or refusal to contribute (10.7%), step-parent's refusal to assist (18.2%), parental refusal to support (28.0%), and parental inability to support (32.5%).

During the 1987-88 academic year, 1 689 requests of this nature were handled by the appeal process. These appeals resulted in the awarding of \$1 158 038 in grants and \$2 477 783 in loans to 1 210 students. Appeals were approved in 71.6% of the cases.

Ministry Verification of Information

The main purpose of the ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected by the ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the ministry. Files maintained at the financial aid offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the ministry fully preserves the confidentiality of the information provided.

In 1987-88, 7 693 selected files were examined in detail for accuracy of assessments as part of the general audit of student data. Files were selected for examination both through random identification and "flagging" for potential inaccuracies by the Financial Aid Administrators at the colleges and universities. The results of this examination showed underpayments of \$191 719 and overpayments of \$2 780 423. When a grant overpayment is identified, a notice of overpayment is issued to the student with a request to return the funds. A total of 4 419 cases were involved in these adjustments.

Three hundred and fifty-four cases were investigated in 1987-88 for suspected fraud or misrepresentation, with thirty-four cases being referred to the Ontario Provincial Police or the Royal Canadian Mounted Police for follow-up. Nine cases were concluded in court, resulting in four criminal and two statutory convictions, and three dismissals.

Assistance to Students Enrolled in Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1987-88, 49 private vocational schools participated in the grant plan.

During the year 1987-88, 5 283 students enrolled in private vocational schools received grant assistance totalling \$9.05 million. The number of students who received grants in 1987-88 represents a decrease of 6.0 % over that in the previous year. The average amount of grant assistance

provided to these students in 1987-88 was \$1 714 per academic year. Grant assistance to these students was increased to a maximum of \$1 500 per single term of study. This explains why there has been a corresponding decrease of 14.5% in the loan assistance received by these students.

Private vocational school students who received grant assistance in 1987-88 were enrolled mainly in trades and vocations, administration or business programs and engineering and technology. The participation in OSAP by students from private vocational schools in Ontario for 1986-87 and 1987-88 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	<u>1986-87</u>		<u>1987-88</u>	
	Grants	Loans	Grants	Loans
Number of Students receiving aid	5 641	7 760	5 283	7 008
Total value of aid received (in millions)	\$6.38	\$27.26	\$9.05	\$23.31

Conclusion

In its tenth year of operation, the Ontario Study Grant Plan has promoted accessibility to post-secondary education for Ontario residents by providing 75 584 students with a total of \$153.39 million as need-based, non-repayable grants. In addition, federally guaranteed loans of \$209.59 million and provincially guaranteed loans for \$30.3 million were also issued to students in 1987-88. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 104 972 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1987-88 constituted 36.3% of the total full-time enrolment in Ontario's universities and colleges.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students as a result of limits being placed on who can receive grants (i.e. the introduction of grant eligibility periods). In 1987-88 over 73% of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5% of the grant awards was received by this group.

Of the dependent single students who received grants, approximately 26.5% had parents who earned less than \$14 200, the cut-off point for contributions expected from parental gross income. These same students received approximately 41.3% of actual grant monies, indicating that the average grant per student increases with decreasing parental gross income.

The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1987, is given in Table 28.

Table 28: Profile of Gross Family Incomes in Ontario

Income Ranges	Per Cent of Families	Cum %
Under \$10 000	3.4	—
10 000 – 12 499	1.9	5.8
12 500 – 14 999	1.8	7.1
15 000 – 17 499	3.9	11.0
17 500 – 19 999	3.9	14.9
20 000 – 24 999	6.5	21.4
25 000 – 29 999	7.0	28.4
30 000 – 34 999	7.9	36.3
35 000 – 39 999	7.9	44.2
40 000 – 44 999	8.0	52.2
45 000 – 49 999	6.9	59.1
50 000 – 54 999	7.6	66.7
55 000 – 59 999	6.3	73.0
60 000 – and over	27.0	100.0
Average income	\$46 967	
Median income	\$43 789	

As noted in the above chart, 50% of the families in Ontario had incomes below \$43 789. This can be matched with the family income profile of the dependent single students who received assistance in 1987-88. It is interesting to note that 92.1% of the students who received grants in 1987-88 came from families whose gross income was below the median level (see Table F, page 30).

Various factors affect the student's decision to enrol or continue in postsecondary study, and availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

.....

A P P E N D I X 1

TABLES

Table A:

**Ontario Student Assistance Program
Total Provincial Expenditure –
Grants, Loan Interest and Claims, Bursaries, Work Study Funds**

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Ontario Work Study Plan	Total
1987-88	\$ 153 391 890	\$ 11 796 867	\$ 1 460 097	\$ 1 040 653	\$ 167 689 507
1986-87	134 797 498	12 869 010	1 246 718	733 617	149 646 843
1985-86	117 654 282	14 478 690	1 231 947	658 201	134 023 120
1984-85	111 997 110	13 184 265	1 140 379	341 659	126 663 413
1983-84	106 843 710	11 892 281	1 021 649	167 406	119 925 046
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	—	86 423 755
1980-81	85 377 688 *	4 036 600	477 471	—	89 891 759
1979-80	84 009 164 *	1 373 440	409 394	—	85 791 998
1978-79	78 989 259 *	424 177	427 736	—	79 841 172

* Includes loan remission, which was provided as a transition arrangement to students affected by the introduction of the Ontario Study Grant Plan in 1978-79.

Source: Public Accounts of Ontario

Table B:

**Ontario Student Assistance Program
Full-time Enrolment and OSAP Recipients**

Year	Full-time Enrolment in Ontario Universities and Colleges	OSAP Recipients * (Grant and Loan)	% Full-time Enrolment Receiving OSAP
1987-88	289 138	104 972	36.3%
1986-87	279 469	108 547	38.8
1985-86	278 862	109 395	39.2
1984-85	281 620	114 369	40.6
1983-84	278 416	112 452	40.4
1982-83	264 658	100 778	38.1
1981-82	247 533	81 180	32.8
1980-81	235 461	78 991	33.5
1979-80	225 504	81 936	36.3
1978-79	219 204	74 956	34.2

* Enrolled in Ontario universities and colleges, and also in private vocational schools, and other postsecondary institutions.

Source: Ministry of Colleges and Universities, Corporate Planning and Services Branch reports; Ministry of Colleges and Universities statistical reports.

Table C:

**Ontario Student Assistance Program
Grant Awards by Student Group**

Program Year	Total Awards Issued	Dependent Single Students – No. of Awards	Married Students – No. of Awards	Independent Single Students – No. of Awards
1987-88	75 584	55 268 (73.1%)	9 779 (12.9%)	10 537 (13.9%)
1986-87	79 327	59 466 (75.0%)	9 453 (11.9%)	10 408 (13.1%)
1985-86	81 762	62 726 (76.7%)	8 657 (10.6%)	10 379 (12.7%)
1984-85	86 947	67 266 (77.3%)	8 659 (10.0%)	11 022 (12.7%)
1983-84	86 930	67 755 (77.9%)	7 983 (9.2%)	11 192 (12.9%)
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)

Source: Ministry of Colleges and Universities statistical reports

Table D:

**Ontario Student Assistance Program
Grant Awards – Dollar Ranges**

Range of Award	<u>1985-86</u>		<u>1986-87</u>		<u>19</u>
	Recipients (as % of total)	Cum %	Recipients (as % of total)	Cum %	Recipients (as % of total)
\$ 1 – 500	10.2	–	9.8	–	8.0
501 – 1 000	12.2	22.4	11.5	21.3	9.7
1 001 – 1 500	13.4	35.8	13.2	34.5	13.0
1 501 – 2 000	12.9	48.7	12.8	47.3	10.5
2 001 – 2 500	20.0	68.7	19.2	66.5	10.4
2 501 – 3 000	8.1	76.8	7.9	74.4	17.6
3 001 – 3 500	7.6	84.4	7.5	81.9	6.6
3 501 – 4 000	6.3	90.7	6.5	88.4	6.5
Over \$4 000	9.3	100.0	11.6	100.0	17.7

Source: Ministry of Colleges and Universities statistical reports

Table E:

**Ontario Student Assistance Program
Average Grant Awards by Student Group**

Student Group	1985-86	1986-87	1987-88*
Dependent single students	\$1 278	\$1 576	\$1 888
Independent single students	1 906	1 872	2 358
Married students	1 718	2 001	2 459

* refer to Table 5, page 6 for a discussion of the 1987-88 figures

Source: Ministry of Colleges and Universities statistical reports

Table F:

**Ontario Student Assistance Program
Grants Received by Dependent Students
According to their Parental Gross Income Ranges
1986-87 and 1987-88**

<u>Parental Gross Income Ranges</u>	<u>Grant Recipients (as % of Total)</u>		<u>Total Grants Assessed (as % of Total)</u>		<u>Average Grants/ Income Range</u>	
	1986-87	1987-88	1986-87	1987-88	1986-87	1987-88
\$ 1 – \$8 000	13.2	12.7	23.9	20.4	2 850	3 081
8 001 – 9 000	1.9	2.2	3.3	3.3	2 696	2 919
9 001 – 10 000	2.1	2.3	3.8	3.5	2 860	2 959
10 001 – 11 000	2.2	2.2	3.8	3.3	2 746	2 963
11 001 – 12 000	2.4	2.3	4.0	3.5	2 726	2 954
12 001 – 13 000	2.2	2.1	3.8	3.1	2 664	2 869
13 001 – 14 000	2.4	2.3	3.9	3.5	2 594	2 935
14 001 – 15 000	2.3	2.3	3.9	3.3	2 697	2 798
15 001 – 16 000	2.2	2.3	3.5	3.4	2 507	2 837
16 001 – 17 000	2.4	2.2	3.7	3.2	2 478	2 766
17 001 – 18 000	2.5	2.2	3.8	3.2	2 415	2 802
18 001 – 19 000	2.3	2.3	3.4	3.2	2 348	2 650
19 001 – 20 000	2.5	2.3	3.5	3.2	2 212	2 628
20 001 – 25 000	11.7	11.9	13.5	14.5	1 839	2 341
25 001 – 30 000	11.2	11.0	8.5	10.3	1 208	1 796
30 001 – 35 000	11.3	11.0	5.1	7.2	721	1 249
35 001 – 40 000	9.9	9.9	2.5	4.0	398	780
Over \$40 000	15.3	16.6	2.2	3.8	226	444
Total	100.0	100.0	100.0	100.0	1 576	1 888*

* refer to Table 5, page 6 for a discussion of the 1987-88 figures

Source: Ministry of Colleges and Universities statistical reports

Table G:

**Ontario Student Assistance Program
Gross Asset Ranges of Parents of
Dependent Students Eligible for Grants***

Parental Gross Asset Ranges	<u>1985-86</u> % of Students	<u>1986-87</u> % of Students	<u>1987-88</u> % of Students
Less than \$1	7.8	8.4	9.1
\$ 1 - \$80 000	60.1	55.1	49.2
80 001 - 100 000	12.0	12.9	12.1
100 001 - 120 000	7.1	8.0	8.5
120 001 - 140 000	4.4	5.4	6.6
140 001 - 160 000	3.0	3.6	4.6
160 001 - 180 000	1.7	2.1	3.1
180 001 - 200 000	1.0	1.2	1.9
200 001 - 220 000	0.6	0.8	1.3
220 001 - 240 000	0.5	0.6	0.8
240 001 - 260 000	0.4	0.4	0.6
260 001 - 280 000	0.3	0.3	0.4
280 001 - 300 000	0.2	0.2	0.3
Over \$300 000	0.9	1.0	1.5
Total	100.0	100.0	100.0

* refer also to Resources Expected from Assets (page 19)

Source: Ministry of Colleges and Universities statistical reports

Table H:

**Ontario Student Assistance Program
Contribution from Students' Summer Earnings**

Contribution Ranges		% of Students		
		1985-86	1986-87	1987-88
Less than	\$1	12.5	7.2	8.9
\$ 1 -	200	0.2	0.1	0.1
201 -	400	0.4	0.3	0.3
401 -	600	19.1	20.4	13.4
601 -	800	2.3	2.5	2.0
801 -	1 000	11.9	3.1	3.3
1 001 -	1 200 [†]	42.1	51.4	42.3
1 201 -	1 400	2.7	3.5	3.3
1 401 -	1 600	2.6	3.4	4.0
1 601 -	1 800	1.6	2.2	2.3
1 801 -	2 000	1.4	1.9	2.0
2 001 -	2 200	0.9	1.2	1.4
2 201 -	2 400	0.7	0.8	6.3
2 401 -	2 600	0.6	0.7	1.0
2 601 -	2 800	0.4	0.4	1.2
2 801 -	3 000	0.2	0.3	1.1
Over	\$3 000	0.4	0.6	4.3
Total		100.0	100.0	100.0

* Does not include students' summer earnings for married students and sole-support parents.

[†] The frequency range is large because the minimum expected student summer contribution is \$1 120 for 16 weeks of summer employment.

Source: Ministry of Colleges and Universities statistical reports

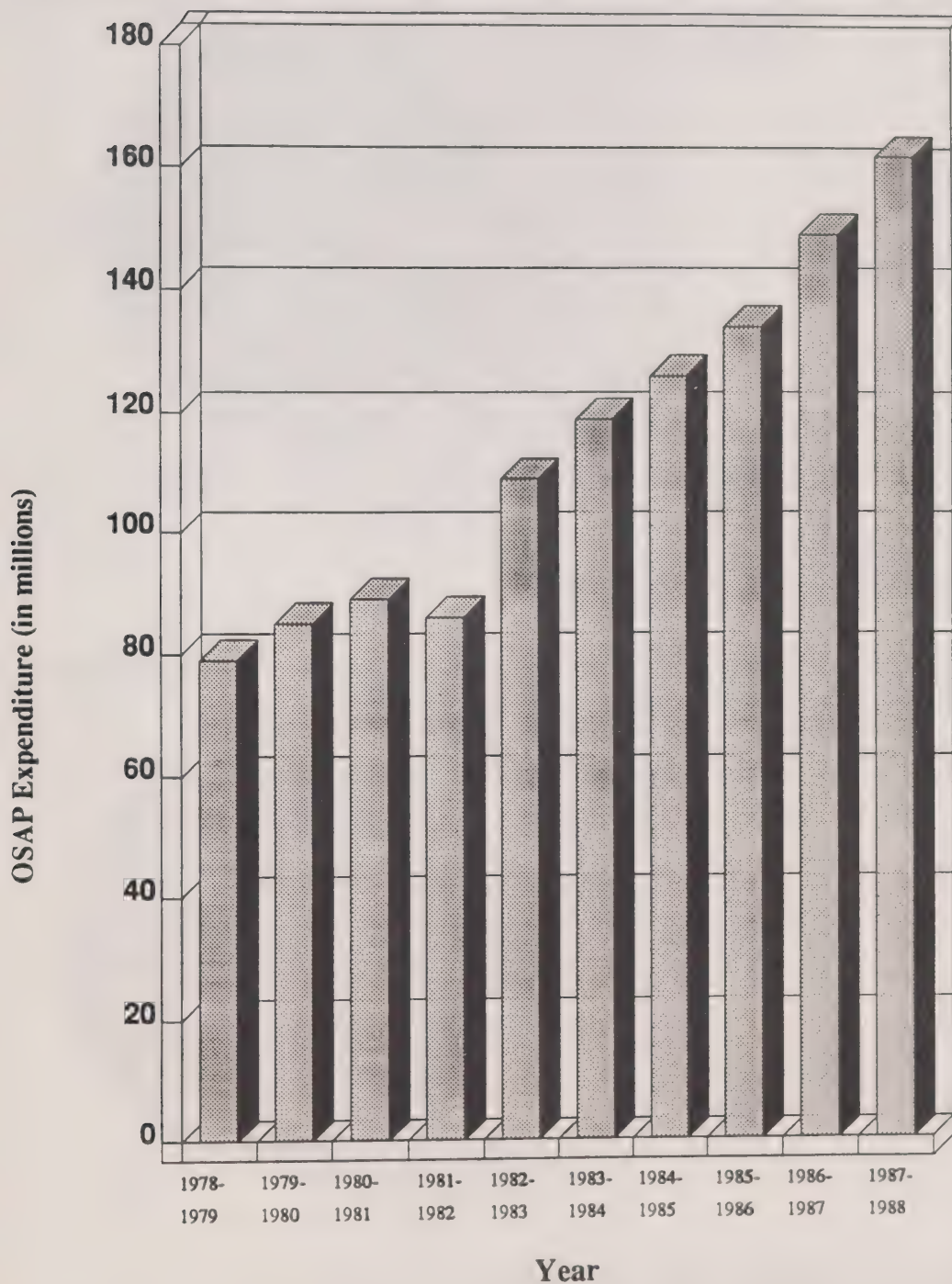
.....

A P P E N D I X 2

CHARTS

Chart A:

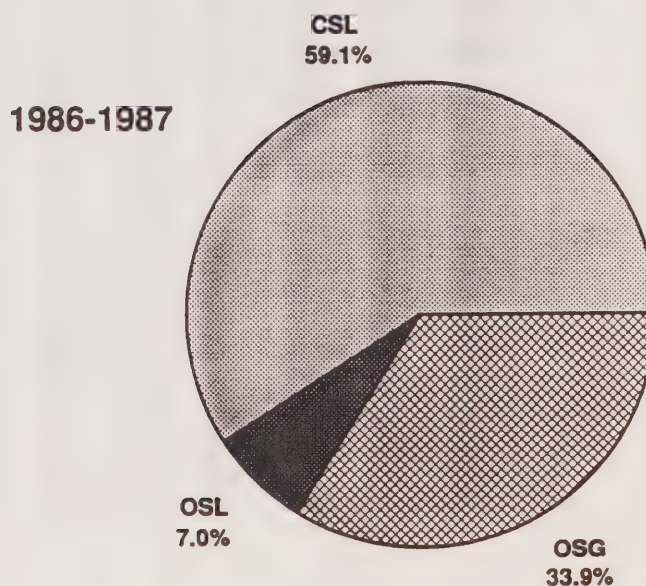
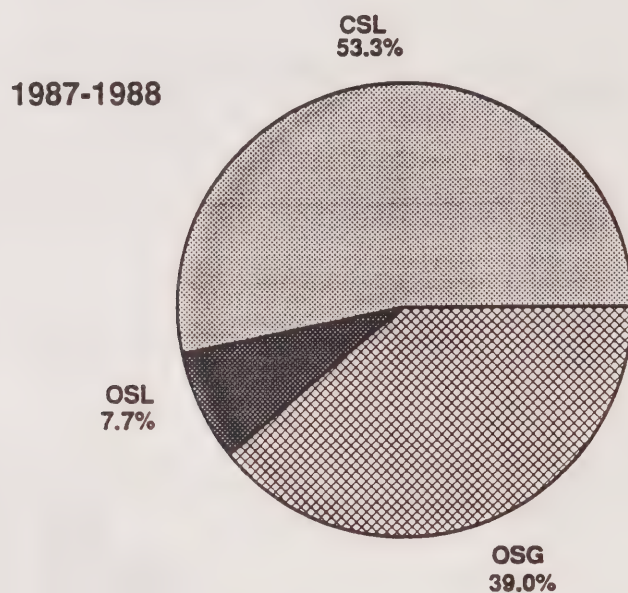
**Ontario Student Assistance Program
Total Expenditure***



* Refer to Table A, page 25 for exact amounts.

Chart B:

**Ontario Student Assistance Program
Breakdown of Total Assistance — 1987-88**



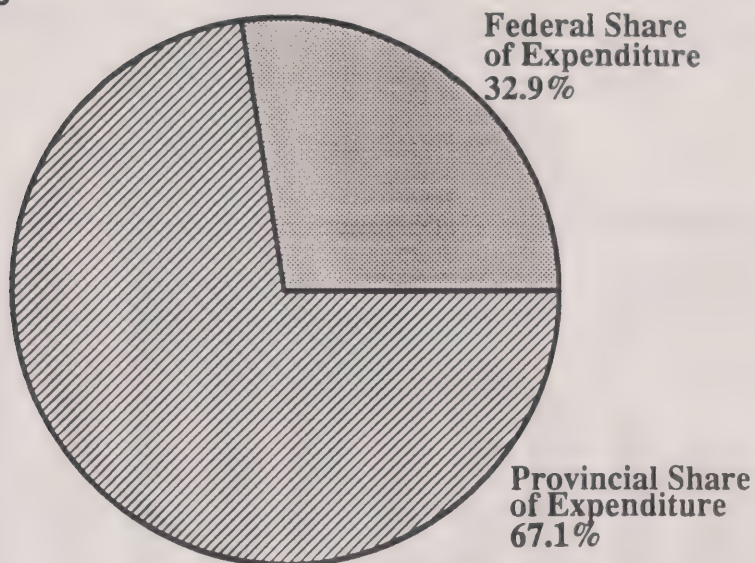
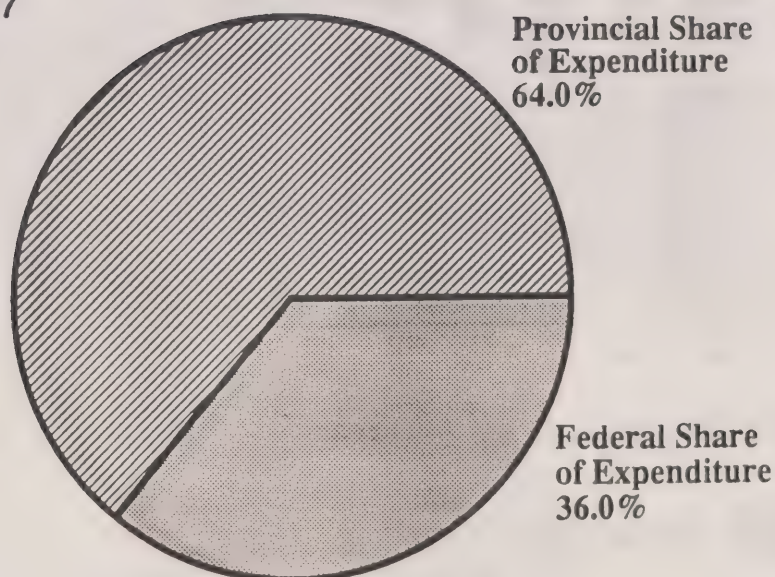
OSG: Ontario Study Grant (refer to Table 5, page 6)

CSL: Canada Student Loan (refer to Table 7, page 7, and Table 18, page 13)

OSL: Ontario Student Loan (refer to Table 7, page 7, and Table 19, page 14)

Chart C:

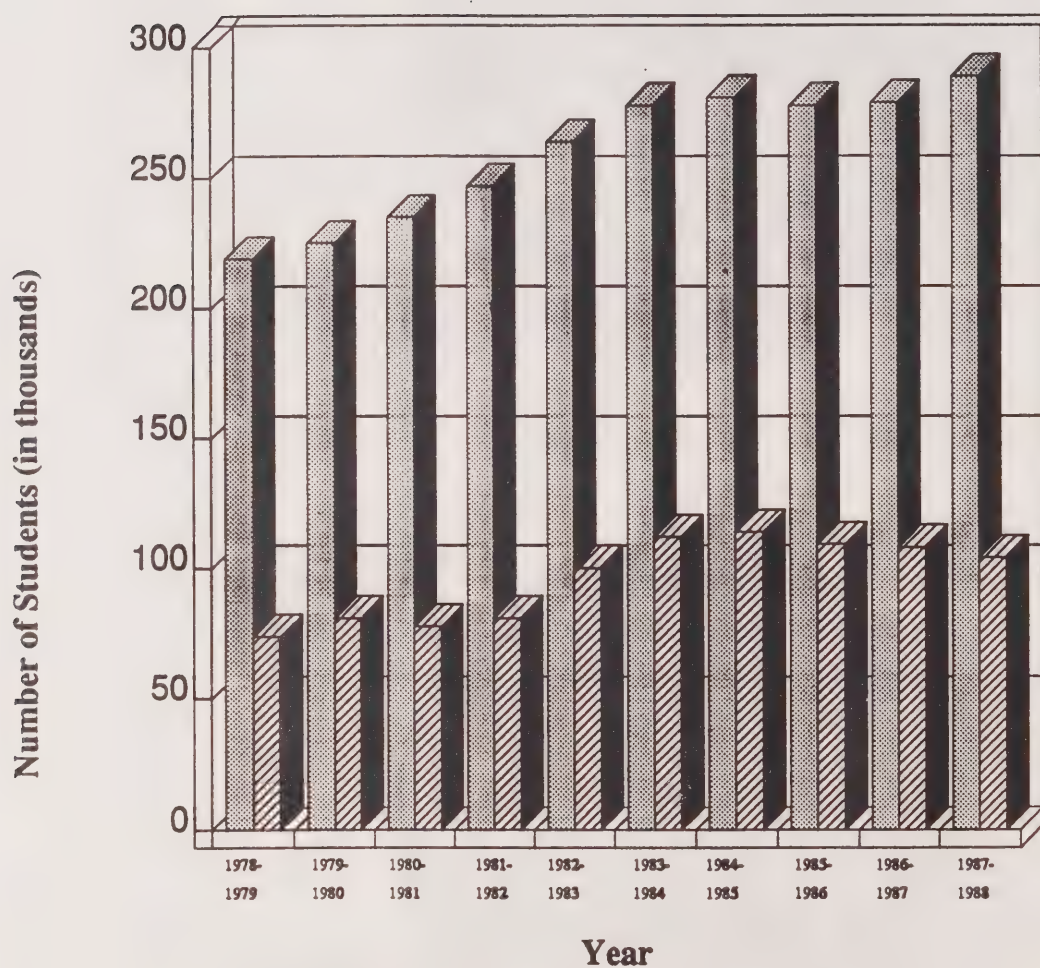
**Ontario Student Assistance Program
Expenditure by Federal and Provincial Governments***

1987-1988**1986-1987**

* Expenditures include: Grants and bursaries, interest on loans, payments covering loan defaults, loan remissions and other direct payments to students.

Chart D:

**Ontario Student Assistance Program
Full-time Enrolment in Ontario Universities and Colleges
and OSAP Recipients***



full-time enrolment



OSAP recipients (loan and grant)

* Refer to Table B, page 26 for exact figures.

Chart E:

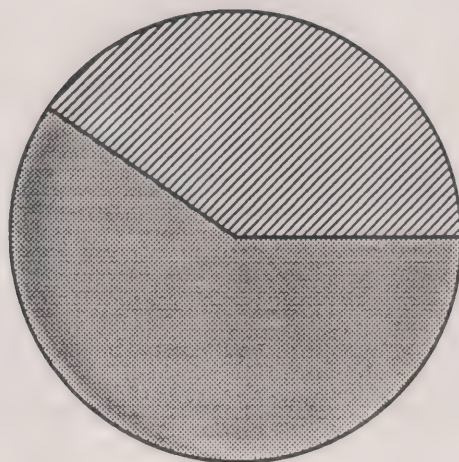
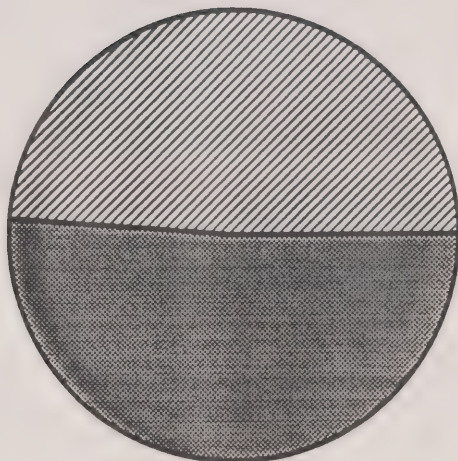
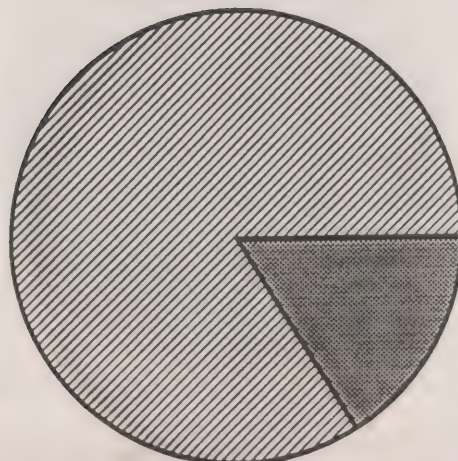
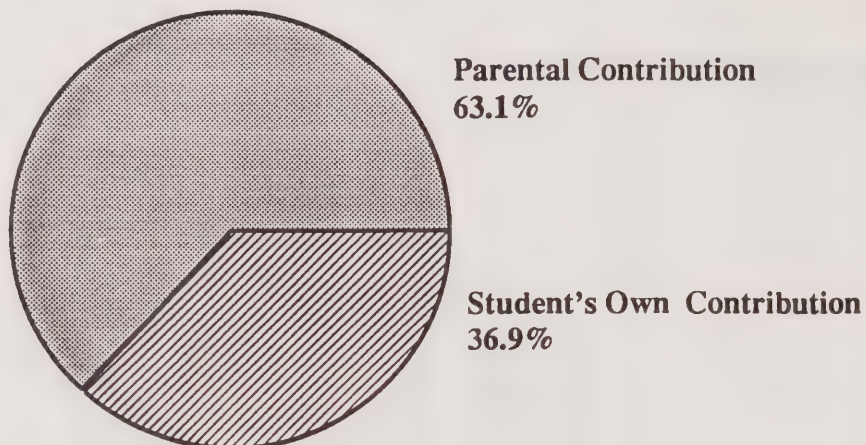
**Ontario Student Assistance Program
Costs of Students Applying for Grants****Dependent Single Students****Provincial Grants**
40.5%**Resources and/or Loans**
59.5%**Independent Single Students****Provincial Grants**
48.8%**Resources and/or Loans**
51.2%**Married Students****Provincial Grants**
83.8%**Resources and/or Loans**
16.2%

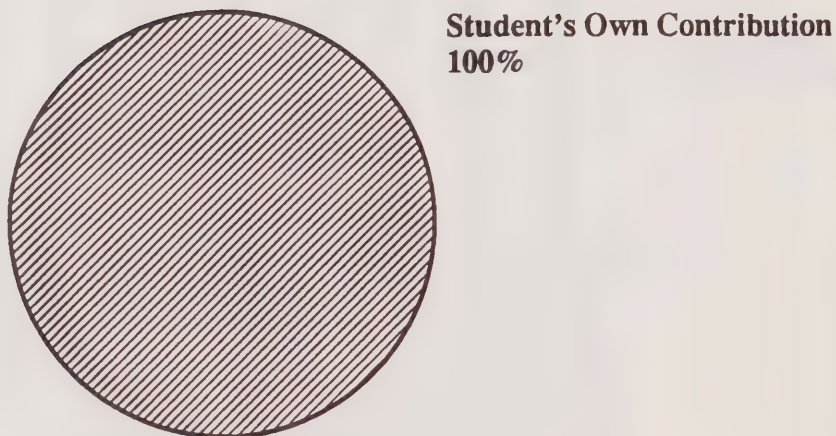
Chart F:

**Ontario Student Assistance Program
Resources of Students in Grant Assessments**

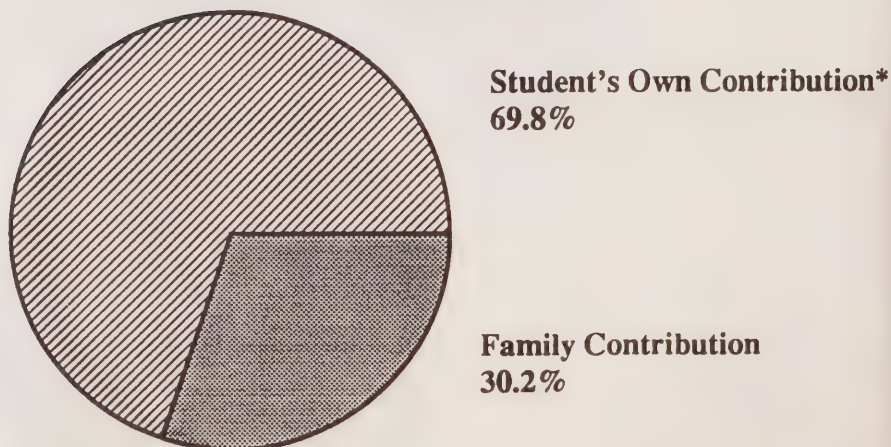
Dependent Single Students



Independent Single Students



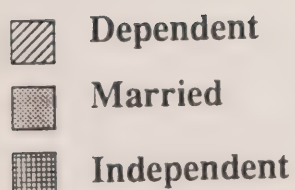
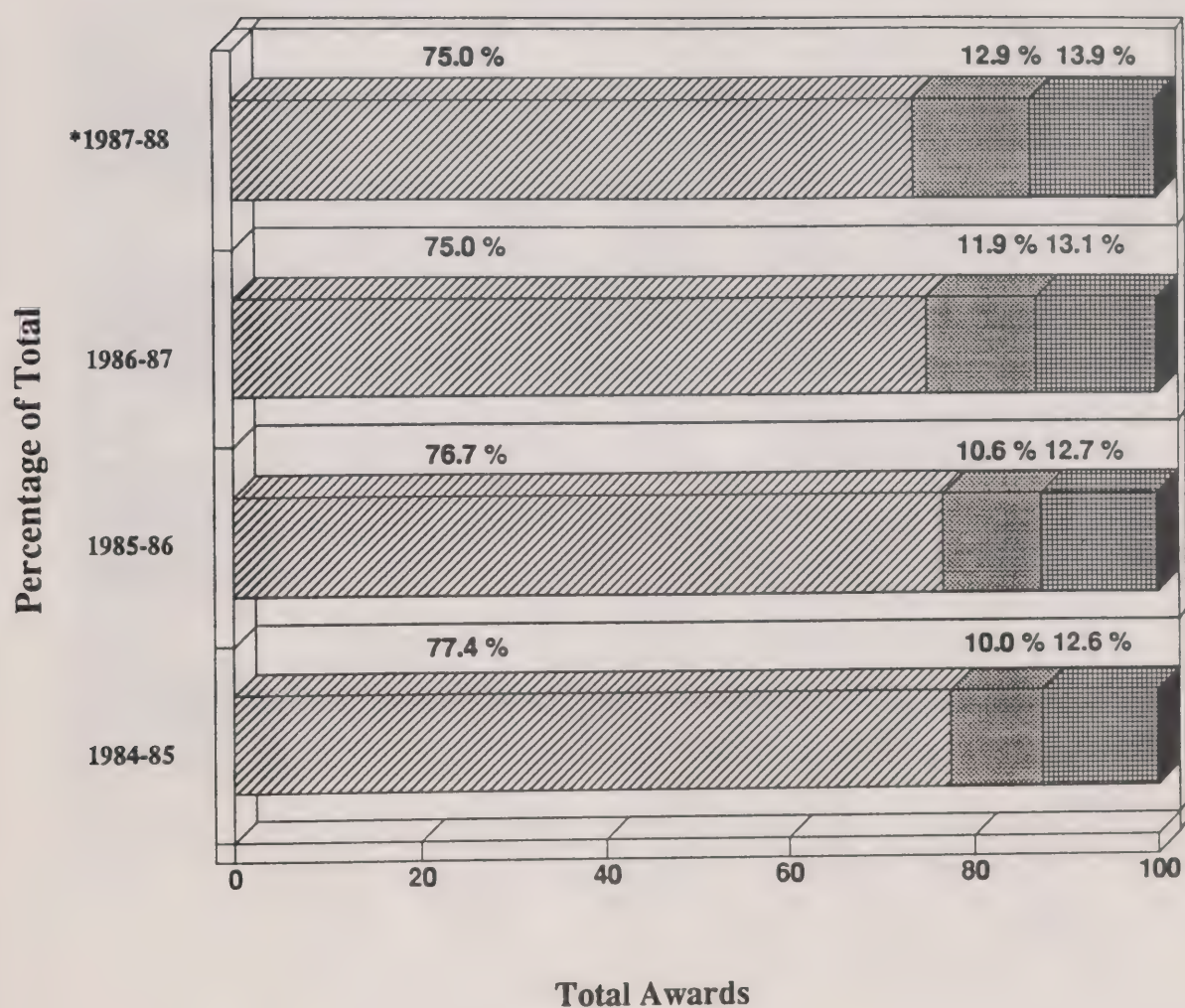
Married Students



* Includes contribution from spouses' assets, spouses' income, study period earnings and other resources; does not include contributions from student's summer earnings.

Chart G:

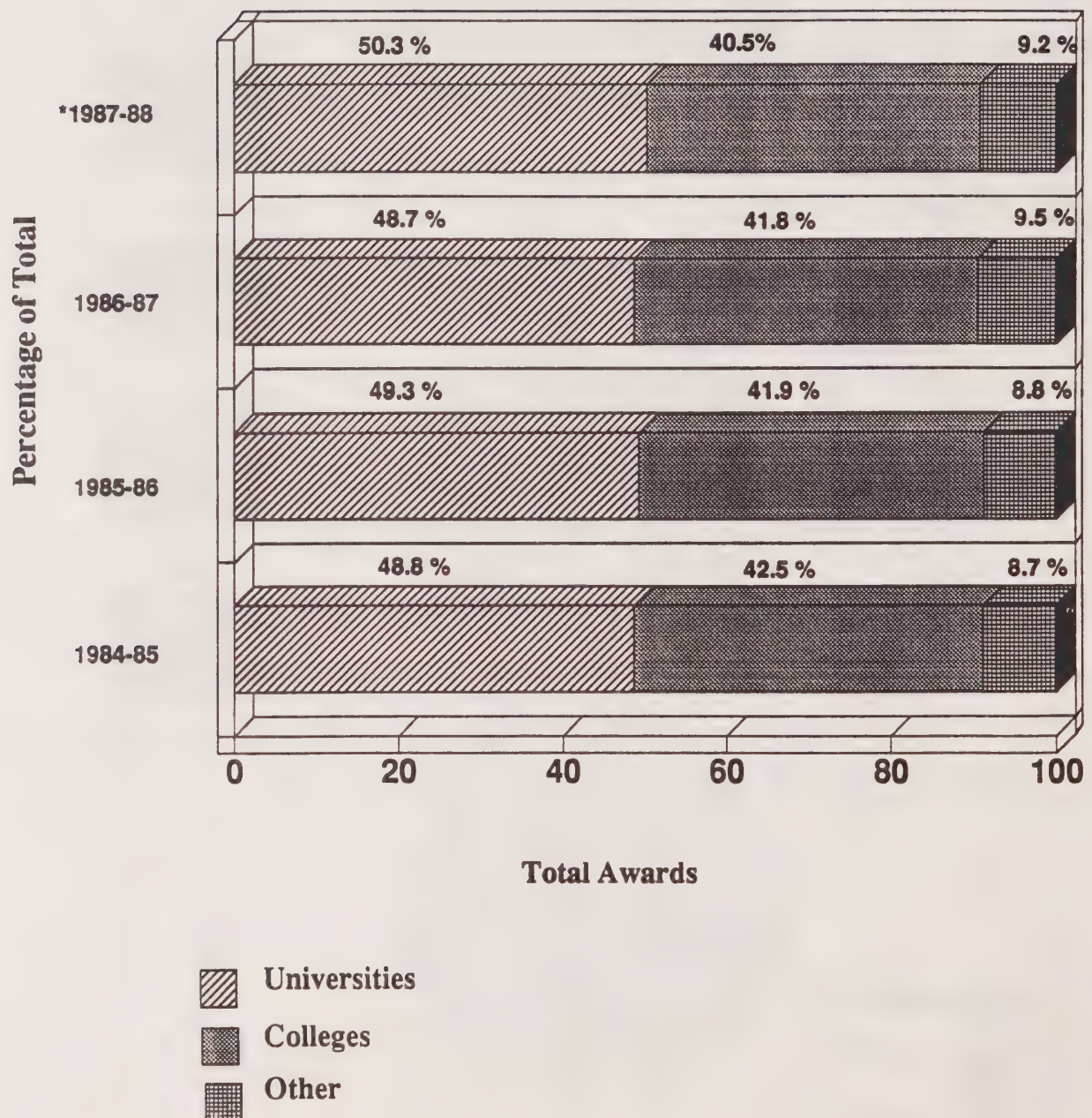
Ontario Student Assistance Program Grant Awards by Student Group



* Refer to Table C, page 27 for actual 1987-88 figures.

Chart H:

Ontario Student Assistance Program Grant Awards by Institution Type



* Refer to Table 2, page 5 for actual 1987-88 figures.

Chart I:

**Ontario Student Assistance Program
Parental Gross Income of
Dependent Single Students Receiving Grants**

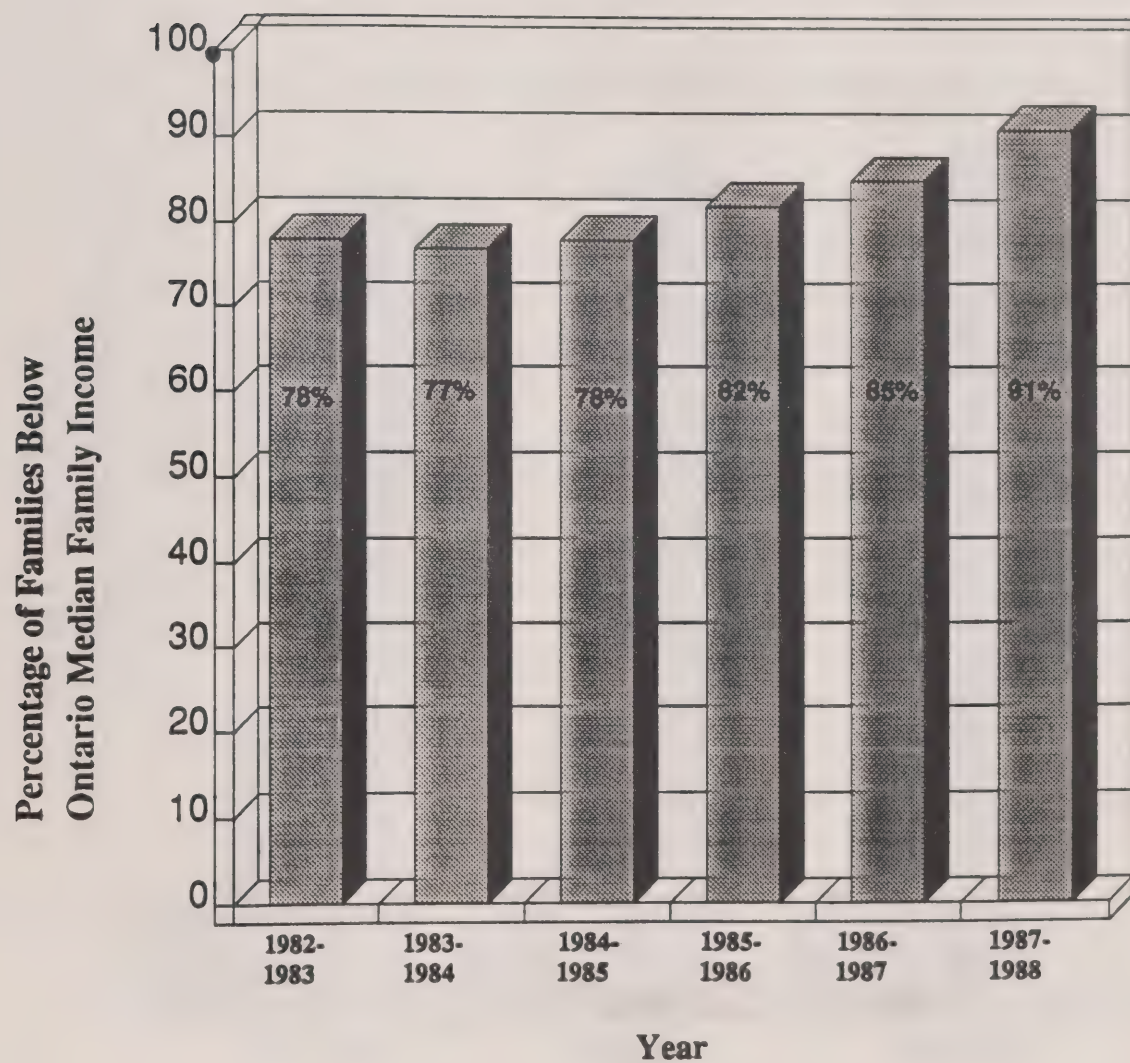


Chart J:

**Ontario Student Assistance Program
Ontario Population (Aged 20-24)
Full-time Enrolment in Ontario Universities
and Colleges, and OSAP Recipients**

